

**ACTIVE AND COHESIVE COMMUNITIES OVERVIEW AND SCRUTINY
COMMITTEE**

Tuesday, 19th March, 2013

Present:- Councillor George Cairns – in the Chair

Councillors Councillor Reginald Bailey, Councillor James Bannister,
Councillor Miss Sophie Olszewski, Councillor Glyn Plant,
Councillor Miss June Walklate, Councillor Mrs Gillian Williams
and Councillor Mrs Joan Winfield

1. APOLOGIES

Apologies were received from Councillors Mrs Cornes, Mrs Heesom, Holland and Lawton.

2. DECLARATIONS OF INTEREST

There were no declarations of interest received.

3. MINUTES FROM THE PREVIOUS MEETING

RESOLVED: That the minutes of the meeting held on 13 December 2012 be agreed as a correct record.

4. LEISURE MANAGEMENT OPTIONS

The Committee gave consideration to a briefing note from the Head of Leisure and Cultural Services regarding Leisure Management Options.

A Trust had previously been considered to manage all or part of the cultural and leisure services provided by the Council, but the decision had been taken for them to remain in house as the outline business case could not be concluded due to proposed changes to the local government pension scheme at the time, and the difficulty in establishing exact/accurate procurement costs. There were two advantages of moving to a Leisure Trust; savings on non-domestic rates and also some savings on VAT. Furthermore, dependent upon the model of the trust, there would be opportunities for Gift Aid giving and the Trust would be eligible to apply for some grants where statutory authorities were not considered. For these reasons Cabinet agreed that the issue should be kept under review with a future report to be received.

Officers had monitored the sector and noted that Community Interest Companies (CICs) had become more prominent. CICs appeared to address the two issues that prevented the Leisure Trust Option being progressed. CICs were eligible for delegated body status to the local government pension scheme, so there would be no implications for employer contributions with regard to the pension scheme, as with admitted body status that applied to trusts. . Furthermore, the Council would not have to conduct a procurement exercise as the CIC would be wholly owned by the Council, and if the CIC was treated like an in-house operation, it would benefit from 'a teckal exemption' in relation to procurement. A CIC would still being eligible for rate relief, but would not benefit from VAT savings in the same way as a Trust.

The officer working group having again reviewed the options for leisure and cultural services now required direction from Elected Members. The Council's Executive Management Team wanted the officer working group to continue to explore the CIC option and to gauge the Committee's views, before reporting back to Cabinet. The Committee were urged to not focus on the potential savings of the different structures, but to consider whether a structure fitted politically or philosophically with the Council, e.g. if it met the Council's corporate priorities. The next stage of the process would be to develop an outline business case, and officers were not asking for a decision at the present time.

The Chair hoped that Members would support the CIC as the Council would still control its facilities whereas, with a Trust, control would be lost. Other Members were in favour of the Leisure Trust option, as the individuals who ran them were usually experts in their field. They felt that if conditions were correct, then the Leisure Trust would be the best option. However, the timing was not right at the moment and the CIC was the right way forward at the present time.

Members noted that Cheshire West and Chester Council had already implemented a CIC, and questioned whether they had encountered any problems. Representatives from Cheshire West and Chester Council would be attending the next officer working group meeting. When Cheshire West and Chester Council had become a unitary authority, they had inherited different operators and a complex situation to unpick to form a Leisure Trust. The difficulties that they had experienced so far had been due to this and would not necessarily be applicable to this Council. The practical running of the CIC for Cheshire West and Chester Council was not problematic; it was the situation that they had inherited.

The Committee supported the CIC proposal, and requested a further report be brought back prior to being considered by Cabinet.

RESOLVED: (a) That the information be received.

(b) That the Committee support the Community Interest Company option for leisure management.

5. **WORK PLAN**

A report on the Public Sector in Partnership was expected in June. Bateswood Local Nature Reserve remained on the work plan and could be revisited if the situation required it. Meetings of the Allotments Review task and finish group were on-going, with another meeting to be scheduled imminently.

The Head of Leisure and Cultural Services advised that it may be advantageous for the Committee to consider the Health and Wellbeing Strategy. The Health and Wellbeing Strategy had two action plans: one for health and one for physical activity. Those for health to tackle pre-existing conditions from early onset, and those for physical activity to encourage healthy lifestyles, to prevent the onset of disease or aid recovery. It would be the second of these that would be beneficial for the Committee to look at, with a view to reducing the cost of physical inactivity in the Borough.

The Head of Cultural and Leisure Services urged the Committee to retain Kidsgrove Sports Centre on the work plan. The swimming pool at the centre had been closed for over a year, and had reopened in November following the undertaking of essential repair work. However, other areas continued to deteriorate. The sports facilities

continue to be operated but were at the end of their lifespan. A number of associated risks were therefore being managed on an on-going basis, and there was a recognition that the longer risks were taken the more likely it was to incur problems. Inspections of the centre were being conducted, and through these the Council was aware of the issues to be managed and the costs of repairs that were indicating some capital expenditure was required. The centre's long term future was in hand through 'the Deal Letter' that the Leader of the Council had signed with Staffordshire County Council. However, it could be over a decade before this resulted in a replacement or refurbishment of Kidsgrove Sports Centre. There was a considerable difference in the standards of facility at Kidsgrove Sports Centre and Jubilee 2 and the contrast between the two was noted. The issue for the Committee was whether the risks were being managed adequately, and the Head of Leisure and Cultural Services was happy for the Committee to look at this. With regard to the future of the Sports Centre, Staffordshire County Council had a plan for Kidsgrove Schools, which was largely based on Private Finance Initiatives, but a dialogue would not be opened up by the government until around September 2015. There was a budgeted deficit for Kidsgrove Sports Centre of £250,000, but the centre was running at a loss of a third of a million pounds. The centre was well used by existing members, but could not grow its user base due to the current facilities, and if the centre were to close again public confidence would be lost.

The Chair requested that scrutiny of Keele Golf Course and problems that were being encountered with the management of the course be added to the work plan. Newcastle Borough Council currently leased the golf course to a private operator.

RESOLVED: (a) That the information be received and the comments noted.

(b) That scrutiny of Keele Golf Course be added to the work plan.

COUNCILLOR GEORGE CAIRNS
Chair

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