

Joint meeting of the Finance & Audit and Overview & Scrutiny Committee

Minutes of a joint meeting held on Tuesday 3 November 2015, at the Town Hall, Royal Leamington Spa at 6.00pm.

Present: Councillors Ashford, Barrott, Boad, Bromley, Butler, D'Arcy, Davison, Day, Edgington, Gifford, Harrington, Mrs Hill, Illingworth, Mann, Margrave, Naimo, Parkins, Quinney, Mrs Redford and Thompson.

Also present: Councillors Gallagher, Gill, Mrs Knight, Mobbs, Phillips and Whiting.

Apologies for absence were received from Councillors Mrs Cain and Heath.

1. **Appointment of Chairman**

It was proposed and duly seconded that Councillor Boad be appointed as Chairman for the meeting.

Resolved that Councillor Boad be appointed as Chairman for the meeting.

2. **Substitutes**

Councillor Ashford substituted for Councillor Rhead and Councillor Mrs Hill substituted for Councillor Miss Grainger.

3. **Declarations of Interest**

There were no declarations of interest.

4. **Executive Agenda Item 3 – Wednesday 4 November 2015 – Leisure Options – Part A**

The Committee considered an Executive report from Cultural Services, seeking approval of a series of recommendations following completion of the initial phase of the Leisure Development Programme.

The programme had been established in November 2014 to formulate options for the future provision and management of the Council's leisure centres and dual-use sites. The report addressed two significant issues that Members needed to determine.

The first issue was whether the Council should invest significant capital sums in Newbold Comyn and St Nicholas Park leisure centres, to make them fit for purpose.

The second issues was to decide which was the best model for managing the Council's leisure facilities in the future; to keep the management in house or to manage via an external partner.

The Head of Cultural Services presented the report and thanked Members for attending the briefing on Monday evening. She outlined a number of key points that the team aimed to cover which included answers to a number of questions that had emerged at the briefing, fees and charges, contract management and the protection of existing staff.

Councillors raised the possibility of the management of the service moving to a Trust and officers advised that this had been considered in the November 2014 report. However, this was not a recommendation at the present time for a number of reasons. It was acknowledged that there was a benefit to using a Trust with regard to NNDR and VAT arrangements but it was a less popular option for Local Authorities to take nowadays. There had been examples of Trusts failing resulting in external providers having to bail them out and officers felt this would be a risk for the Council.

Councillor Boad requested that officers look at including a 'passport to Leisure' into the contract specification to ensure that all residents, especially those on lower incomes or needing assistance, would be able to access the facilities. The Head of Cultural Services advised that this would require a high specification IT system and was satisfied that external providers would be able to incorporate this into any contract.

Councillors also raised concerns about the potential impact on existing staff, the management of the contract and the funding sources. Officers also clarified issues relating to potential savings, membership rates, realistic projections and equipment renewal.

Having considered the report, and having heard from the officers present, the Joint Scrutiny Committee felt they could not support recommendations 2.6 to 2.9 of the report. Members advised that their preferred option would be to retain the Leisure Service in house, keeping it under Council's management control, and retain the current arrangements.

The Joint Committee therefore

Recommended to the Executive that

- 1) recommendations 2.6, 2.7, 2.8 and 2.9 of the report are removed, effectively retaining the Leisure Options in Council's management control and continuing under existing arrangements; and
- 2) officers investigate the option of introducing a "Passport to Leisure" into the contract to enable access to leisure facilities for all members of the community.

(Councillors Mann, Day, Edgington and Ashford arrived part way through discussion of this item and were therefore, unable to vote on the decision)

5. **Public and Press**

Resolved that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

6. **Confidential Executive Agenda Item 8 – Wednesday 4 November 2015 – Leisure Options – Part B**

The Committee considered additional documents relating to the Executive report from Cultural Services for the Leisure options proposals.

These appendices were private and confidential because they contained commercial information, investment proposals and potential operator comparisons.

Following discussions, the Joint Scrutiny Committee

Recommended to the Executive that they consider the Trust option and ensure they consider the Social Value losses and gains of all three options.

(The meeting ended at 7.34 pm)