

Cabinet Agenda

Date: Tuesday, 19th January, 2016
Time: 2.00 pm
Venue: Committee Suite 1, 2 & 3, Westfields, Middlewich Road,
Sandbach CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**
2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a period of 10 minutes is allocated for members of the public to address the meeting on any matter relevant to the work of the body in question. Individual members of the public may speak for up to 5 minutes but the Chairman or person presiding will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers. Members of the public are not required to give notice to use this facility. However, as a matter of courtesy, a period of 24 hours' notice is encouraged.

Members of the public wishing to ask a question at the meeting should provide at least three clear working days' notice in writing and should include the question with that notice. This will enable an informed answer to be given.

Contact: Paul Mountford, Democratic Services Officer
Tel: 01270 686472
E-Mail: paul.mountford@cheshireeast.gov.uk

4. **Questions to Cabinet Members**

A period of 20 minutes is allocated for questions to be put to Cabinet Members by members of the Council. Notice of questions need not be given in advance of the meeting. Questions must relate to the powers, duties or responsibilities of the Cabinet. Questions put to Cabinet Members must relate to their portfolio responsibilities.

The Leader will determine how Cabinet question time should be allocated where there are a number of Members wishing to ask questions. Where a question relates to a matter which appears on the agenda, the Leader may allow the question to be asked at the beginning of consideration of that item.

5. **Minutes of Previous Meeting** (Pages 1 - 10)

To approve the minutes of the meeting held on 8th December 2015.

6. **Notice of Motion - Taxi Licensing** (Pages 11 - 26)

To consider and respond to the motion.

7. **Everybody Sport & Recreation Annual Report** (Pages 27 - 114)

To consider a report which provides background information on the transfer of the Council's leisure centre and sports development services to the charitable trust "Everybody Sport & Recreation". The report also provides an update on the first year of operation and performance of the Trust through the presentation of its first Annual Report to the Council.

8. **Corporate Parenting Committee** (Pages 115 - 122)

To consider a report proposing the establishment of a new Corporate Parenting Committee.

9. **Corporate Post and Print** (Pages 123 - 132)

To consider a report seeking approval to proceed with the procurement of a corporate print and post contract.

10. **Legal Claim against the Council** (Pages 133 - 134)

To receive an update in respect of a legal claim against the Council.

THERE ARE NO PART 2 ITEMS

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Tuesday, 8th December, 2015 at Committee Suite 1, 2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor M Jones (Chairman)
Councillor D Brown (Vice-Chairman)

Councillors A Arnold, Rachel Bailey, J Clowes, J P Findlow, S Gardner,
L Gilbert, P Groves and D Stockton

Members in Attendance

Councillors D Bailey, Rhoda Bailey, P Bates, S Corcoran, L Durham, D Flude,
G Hayes, S Hogben, J Jackson, L Jeuda, N Mannion, R Menlove, A Moran, B
Moran, D Newton, J Saunders and G Williams

Officers in Attendance

Mike Suarez, Kath O'Dwyer, Peter Bates, Caroline Simpson, Anita Bradley,
Brenda Smith, Stephanie Cordon and Paul Mountford

64 DECLARATIONS OF INTEREST

The Leader, Councillor M Jones, declared a non-pecuniary interest in HS2
and signalled his intention not to vote on the matter later in the meeting.

65 PUBLIC SPEAKING TIME/OPEN SESSION

Sue Helliwell, speaking on behalf of Alsager Town Council, spoke in
opposition to the proposed withdrawal of Council tax support grant which
she said would have a disproportionately adverse effect on people in
Alsager. The matter was due to be considered later in the meeting.

Councillor Simon Yates of Crewe Town Council mentioned that with
regard to the consultation on Council tax support he had advocated either
a continued phasing out of support grant or that Cheshire East Council
consider providing alternative access to capital funds as against revenue.
He also sought the Leader's views on the implications of the
announcement on HS2 for the regeneration of Crewe town centre.

In relation to the representations received on Council tax support grant,
the Leader indicated that he would be asking Cabinet to consider a
phased withdrawal of grant over two years rather than removing it all at
once. With regard to HS2, he said that the implications were beyond
anyone's imagination and he felt that the Design Board should be merged

into the advisory board to the proposed regeneration company and that local members should be included on the advisory board. He added that connectivity between the railway stations, town centre and other key sites should provide significant opportunities for future growth.

66 **QUESTIONS TO CABINET MEMBERS**

Councillor S Corcoran asked if the Council would be following the example of the Conservative Group leader for Cheshire West and Chester who had suggested political bias over the choice of red Christmas baubles for Chester. The Leader assured Councillor Corcoran that Cheshire East Council had no such political bias.

Councillor D Flude referred to an article in the Sunday Times business section which stated that it was because the trade unions at Bentley Motors had changed their working practices that a contract did not go to Bratislava and instead benefited Crewe. She wanted to place this on record in view of an item on trade unions later on the agenda. The Leader, in acknowledging that the trade unions had played an important part at Bentley, also referred to the unions at Hurdsfield who had worked successfully with Astra Zeneca. He also stressed his support for the trade unions at Cheshire East who were working with the Council in innovative ways.

Councillor L Jeuda asked if the Council would revisit the decision to close in-house respite care. Whilst beds had been secured in the private sector, it was not clear how many there would be when compared with the current provision at Hollins View and Lincoln House, particularly where additional nights were needed. Councillor J Clowes, Portfolio Holder for Adults, Health and Leisure, replied that in terms of the numbers of beds in the Macclesfield area that the Council had contracted for, there was enough provision to meet the historic demands of Hollins View and Lincoln House. Further, the Council had over ordered the number of beds to meet any increased requirements. The Council had worked hard with its partners and the independent sector to see whether Hollins View and Lincoln House could be made economically viable but this had proved not to be the case.

67 **MINUTES OF PREVIOUS MEETING**

RESOLVED

That the minutes of the meeting held on 10th November 2015 be approved as a correct record.

68 **NOTICE OF MOTION - TRADE UNION MEMBERSHIP**

Cabinet considered the following motion which had been moved by Councillor Damian Bailey and seconded by Councillor Nick Mannion at the Council meeting on 22nd October 2015:

"That this Council recognises the positive contribution that trade union members make in our workplaces. This Council values the constructive relationship that we have with our trade unions and we recognise their commitment, and the commitment of all of our staff, to the delivery of good quality public services.

This Council notes with concern the Trade Union Bill which is currently being proposed by the Government which would affect this Council's relationship with our trade unions and workforce as a whole. This Council rejects this Bill's attack on local democracy and the attack on the right to manage our own affairs.

This Council is clear that facility time, negotiated and agreed by us and our trade unions to suit our own specific needs has a valuable role to play in the creation of good quality, responsive local services that truly puts our residents first. Facility time should not be determined or controlled by the Government in London.

This Council is happy with the arrangements we currently have in place for deducting trade union membership subscriptions through the payroll. We see this as an important part of our positive industrial relations and a cheap and easy way to administer a system that supports our staff. This system is an administrative matter for this Council and it should not be interfered with.

This Council further resolves to seek to continue its own locally agreed industrial relations strategy and will take every measure possible to maintain its autonomy with regard to facility time and the continuing use of check-off."

Councillors D Bailey and N Mannion attended the meeting and spoke in support of the motion.

The Portfolio Holder for Performance advised that the full implications of the final Act were as yet unclear. The Council was therefore monitoring the progression of the Trade Union Bill through Parliament and would consider the implications of the Act once it was published and the details finalised. It would then work with the unions to assess the impact of the Act on the Council's current policies and procedures in order to maintain strong and positive industrial relations.

RESOLVED

That for the reasons set out in the report, the motion be rejected.

69 COUNCIL TAX SUPPORT SCHEME 2016/17

Cabinet considered a report on proposed changes to the Council Tax Support Scheme for 2016/17.

A public consultation had been undertaken on proposed changes to the Council Tax Support Scheme for 2016/17. The results of the consultation were outlined at paragraph 5.11 and Appendix A to the report.

The Portfolio Holder for Finance and Assets had also received a communication from the Chairman of the Corporate Overview and Scrutiny Committee setting out that Committee's views, which he had taken into consideration.

RESOLVED

That

1. the following proposed changes to the Council Tax Support Scheme for 2016/17 be recommended to Council for approval:
 - (a) Restrict the maximum support available to Band B (currently restricted to Band D)
 - (b) Increase the minimum contribution from the current 20% to 25%
 - (c) Increase the minimum award from 50p to £2 per week
 - (d) Increase non-dependent deductions from £5 to £7 per week
 - (e) Capital limit reduced from £10,000 to £6,000
 - (f) Each year the allowances used within the calculation are increased in line with those used for Housing Benefit
2. for the 2017/18 financial year, the Council consult on a proposal to remove support for Band G and H properties.

70 COUNCIL TAX BASE 2016/17

Cabinet considered a report setting out the calculation for the Council tax base 2016/17.

The Council had reviewed its Council Tax Support Scheme between September and December, the results of that process having been considered under the previous agenda item. The changes agreed would have an impact on the 2016/17 tax base.

RESOLVED

That Cabinet, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, recommends to Council the amount to be calculated by Cheshire East Council as its Council Tax Base for the year 2016/17 as **142,186.60** for the whole area.

71 IMPLEMENTING THE CARE ACT - MOVING TO A LOCAL AND PERSONALISED SYSTEM OF CARE AND SUPPORT

Cabinet considered a report on proposed changes to the Council's policy on care services in order to be fully compliant with the Care Act 2014.

The Act had introduced a requirement for Local Authorities to encourage a diverse range of high quality care providers. Local authorities therefore had a duty to stimulate the care provider markets so that individuals had a range of options to choose from.

As part of the Care Act Implementation process, a review had been undertaken of the Council's in-house care provider service Care4CE as detailed in the report.

Councillor J Saunders, Chairman of the Adult Health and Social Care Overview and Scrutiny Committee, reported that Committee's comments on the report.

RESOLVED

That in order to be fully compliant with the Care Act 2014, Cabinet

1. approves a change in Council policy to commission all care services from the broader care sector in order to facilitate the move to a personalised system of care and support which facilitates the principle of choice and control for residents in the access and purchasing of care services;
2. delegates the approval of alternate arrangements to provide care services in the independent sector to the Director of Adult Social Care and Independent Living, in consultation with the Portfolio Holder for Adults, Health and Leisure; and
3. approves a transitional arrangement with both the market and Care4CE to ensure the continuity of high quality service delivery whilst alternative care and support services are secured in the market.

72 ADULT SOCIAL CARE FEE RATES

This item was withdrawn and would be brought back to Cabinet in February 2016.

73 THE QUALITY ASSURANCE OF CARE SERVICES IN ADULT SOCIAL CARE

Cabinet considered an update report on the work of the Contract Management and Quality Assurance Team over the last year.

The Contract Management and Quality Assurance Team was responsible for the quality monitoring of the adult social care market for care and support with a view to establishing and maintaining standards, minimising risk and ensuring continuous improvement. In addition the team had oversight and management of provider and market failure on behalf of the Council. As a result of this work there had been continuous improvement in the quality of care and support provision in Cheshire East.

RESOLVED

That Cabinet

1. notes the work of the Contract Management and Quality Assurance Team, hosted by Cheshire East Council (CEC) within the Adult Social Care Strategic Commissioning Business Unit; and
2. approves the continued investment in the Contract Management and Quality Assurance Team.

74 REVISED STATEMENT OF GAMBLING PRINCIPLES

Cabinet considered a report on a revised statement of gambling principles for recommendation to Council.

The Gambling Act 2005 required the Council to review its existing statement of principles and publish a revised version by no later than 31st January 2016. In preparing a revised statement the Council was required to undertake a consultation exercise with stakeholders. The Licensing Committee at its meeting on 16th November 2015 had considered the responses to the consultation and agreed a number of minor changes which had been incorporated into the Appendix to the report.

RESOLVED

That the content of the statement of principles as set out in Appendix 1 to the report be recommended to Council for approval and adoption.

75 HIGHWAY ASSET MANAGEMENT POLICY AND STRATEGY

Cabinet considered a report proposing that Cheshire East Council formalise the use of Asset Management principles for the future management and maintenance of its adopted Highway Infrastructure.

This would be achieved by adopting a new Highway Asset Management Policy and Highway Asset Management Strategy aligned to the current Department for Transport spending review period of 2015 to 2021. This approach would ensure that the Council could maintain the integrity and resilience of the highway infrastructure, ensure maximum value for money for Cheshire East residents and businesses, and provide the best opportunity for obtaining DfT funding.

RESOLVED

That the Highway Asset Management Policy and Highway Asset Management Strategy as set out in Appendices 1 and 2 of the report respectively be approved.

76 CHESHIRE EAST COUNCIL HIGH SPEED RAIL 2 (HS2) POST-SPENDING REVIEW GOVERNMENT ANNOUNCEMENT

Cabinet considered a report seeking approval of a Council response and work programme following the announcements by Chancellor George Osborne and Secretary of State for Transport Patrick McLoughlin on HS2 and a proposed HS2 Hub Station in Crewe.

The report outlined progress with the establishment of a Northern Gateway partnership to successfully deliver the scale of change envisaged within Crewe and South Cheshire. It also proposed a Regeneration Company, supported by a governance structure involving local and national stakeholders, to develop a plan for growth across this part of the Borough. Further details were set out in the report.

The Leader suggested that an advisory board could be set up involving local members, among others, to consider the implications and opportunities arising from HS2. He went on to express his thanks to Caroline Simpson, Andrew Ross and their colleagues for their work in relation to HS2.

RESOLVED

That Cabinet

1. authorises the Regeneration and Assets Portfolio Holder in consultation the Leader of the Council, Executive Director of Growth and Prosperity, Head of Legal Services and the Chief Operating Officer, to consider and approve any option appraisals and detailed business case to establish a Regeneration Company to deliver an economic growth strategy for Crewe and South Cheshire and seek Council approval for its plans, and to enter into all necessary governance arrangements, such authority to include entering into all necessary contractual arrangements including but not limited to operating agreements, buy back agreements, leases, licences and guarantees, and all TUPE provisions, together with undertaking any necessary staff engagement;
- 2 approves the release of £0.5m of reserve funding from within the existing Council budgets established to deliver the HS2 work programme;

- 3 authorises the Executive Director of Economic Growth and Prosperity, in consultation with the Regeneration and Assets Portfolio Holder and the Leader of the Council, to undertake a dialogue process with town and parish councils and other key stakeholders to ensure that local communities have an open opportunity to participate in the potential that HS2 will bring to the area;
- 4 authorises the Executive Director of Economic Growth and Prosperity, in consultation with the Regeneration and Assets Portfolio Holder and the Leader of the Council, to commission a Masterplan for the proposed Crewe Hub Station area working in consultation with DfT, DCLG, LCR and NR which, once established, the Regeneration Company will lead on behalf of the Council;
- 5 notes that the Council and the Regeneration Company will seek to ensure that the decision on the preferred HS2 Hub Station for Crewe is secured in Autumn 2016, and that this aligns with the ambitions of the Growth Strategy for South Cheshire and the wider Northern Gateway;
- 6 notes that the impact of HS2 on the Borough and the development of the Growth Strategy will require commitment and resources and engagement from across the Council's services and functions;
- 7 authorises the Executive Director of Economic Growth and Prosperity in consultation with the Regeneration and Assets Portfolio Holder to respond to HS2 Ltd on the Property Compensation Consultation on Phase 2A, which runs until 25 February 2016, it being noted that all properties affected by the Phase 2A Line of Route have to submit a response form to HS2 Ltd by this date;
- 8 notes that the Government has issued safeguarding directions along the Phase 2A route which, through the planning process, will require the Council to consult HS2 Ltd prior to determining planning applications in the safeguarded area;
- 9 authorises the Executive Director of Economic Growth and Prosperity, in consultation with the Regeneration and Assets Portfolio Holder and the Leader of the Council, to ensure that the negative impacts of the HS2 infrastructure on residents, businesses, farms, local highway networks and the environment are minimised and mitigated against to the greatest potential extent and to provide support to local residents and their representatives and local businesses in this respect and submit a response to the Property Compensation Consultation;
- 10 notes that the current proposals will not affect the delivery of the current Local Plan Strategy; and
- 11 authorises the Executive Director of Economic Growth and Prosperity, in consultation with the Regeneration and Assets Portfolio Holder and the Leader of the Council, to undertake all necessary and

consequential action arising from the above recommendations including, but not limited to, entering into any necessary documentation.

The meeting commenced at 2.00 pm and concluded at 3.45 pm

Councillor M Jones (Chairman)

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	19 th January 2016
Report of:	Steph Cordon, Head of Communities
Subject/Title:	Notice of Motion – Taxi Licensing
Portfolio Holder:	Cllr Les Gilbert, Communities

1.0 Report Summary

- 1.1 The purpose of this report is to consider and respond to the following motion which had been moved by Councillor Rhoda Bailey and seconded by Councillor Dorothy Flude at the Council meeting on 17th December 2015 and referred to Cabinet for consideration:

‘Drivers of hackney carriages and, in particular, private hire vehicles licensed by other authorities are operating in this area.

This Council would not be notified of their criminal offences committed subsequently, as the law requires the Police to notify only the Authority which granted the licence of any notifiable offences.

In view of the prevalence of child sexual exploitation and the dangers caused by children being trafficked from one area to another, that this Council takes steps to lobby for legislation to change the law, to extend the requirement to notify, and to reduce the ability of applicants to obtain licences in authority areas other than where they live.’

2.0 Recommendation

- 2.1 That Cabinet support the spirit of the motion referred to in paragraph 1.1 and resolve that the Leader write to all local MPs, the Local Government Association and the Secretary of State for Transport setting out the Council’s concerns and to seek the Government’s current position in relation to the Law Commission review and any planned changes to taxi legislation and seek to positively influence any changes where possible.

3.0 Reason for Recommendation

- 3.1 Following a Notice of Motion presented to Council.

4.0 Wards Affected

- 4.1 None at this stage

5.0 Local Ward Members

5.1 None at this stage

6.0 Policy Implications

6.1 Protecting our residents and taking action against unlawful activity are key aims of our 'Residents First' and 'Enforcing Council' principles.

7.0 Implications for Rural Communities

7.1 There are no specific implications for rural communities.

8.0 Financial Implications

8.1 There are no immediate financial implications arising from this report.

9.0 Legal Implications

9.1 There are no legal implications at this stage as no change to the current Council policies and procedures are currently proposed.

10.0 Risk Management

10.1 It is not possible to quantify the risk, if any, to the Council at this stage. Any action proposed or taken should enhance the protection of our residents already provided.

11.0 Background and Options

11.1 This report addresses the issues raised by the motion referred to in paragraph 1.1.

11.2 This is a matter that has caused the Licensing Authority, and the Task and Finish Group of Overview and Scrutiny Committee which was set up to tackle child sexual exploitation, some concern. This culminated in the Leader of the Council writing, in March 2015, to each of the Members of Parliament representing constituencies within the Borough and the Chair of the Safer and Stronger Communities Board at the Local Government Association.

11.3 A copy of this letter is set out at Appendix 1, detailing the concerns the Leader raised and setting out ways Cheshire East would look to work with partners to change taxi legislation. Unfortunately, no response was received to this letter.

11.4 The Law Commission has previously been tasked by the Government to investigate how taxi licensing in England and Wales could be updated and improved. They conducted an extensive review of both Hackney Carriage and Private Hire Licensing and their report was published in

May 2014. Subsequently, Stephen Hammond MP, Parliamentary Under-Secretary of State for Transport, made a statement in the House of Commons in confirming that there would be no Bill presented to Parliament. A summary of the Law Commission's proposals is set out at Appendix 2. The current status of this report is unknown.

- 11.5 Parliament has changed the way hackney carriage and private hire licensing operates by including changes in the Deregulation Act 2015, which included allowing private hire operators to sub contract work to private hire operators licensed by any Council. Previously sub-contracting needed to take place between operators licensed by the same Authority. Proposals to allow any driver to drive a licensed vehicle for personal use were dropped. It remains the case that a licensed vehicle must always be driven by a licensed driver, even when being used for personal use. This change would have been a risk and would have made enforcement against unlicensed drivers very difficult.
- 11.6 The Notifiable Occupations Scheme (Home Office Circular 6/2006), within which taxi drivers were included, came under great scrutiny in 2014 with challenges to the scheme's proportionality going before the higher Courts.
- 11.7 Consequently, the scheme was withdrawn after the relevant Ministers took legal advice on its validity. Following withdrawal of the scheme information sharing relating to offences reverted back to the Common Law powers of disclosure. The test used is where there is a pressing social need to release the information.
- 11.8 Steps have been taken to mitigate the risk that may have resulted in the NOC scheme being withdrawn. To facilitate the better sharing of information, Cheshire Constabulary and Local Authorities within Cheshire entered into an Information Sharing Agreement. This agreement provides clarity and guidance on when and what information will be shared between signatories, including Cheshire East. Information given under the agreement has resulted in our General Licensing Sub-Committee revoking licences where drivers have been charged with sexual offences.
- 11.9 However, this agreement relates to licensed drivers who are licensed by our Licensing Authority. As identified in the Notice of Motion, drivers licensed by other Licensing Authorities could be working in our Borough without us knowing their criminal history and without us being able to prevent them from working in our area if they do not meet our standards/requirements.
- 11.10 Each Licensing Authority will set out its requirements and standards expected of those it licensed. These standards can vary considerably between Authorities and it is possible for an applicant to be refused a licence in one area, but be granted a licence by a different Council.

- 11.11 Under the relevant legislation and associated case law it is possible for licensed vehicles and drivers to operate anywhere in England and Wales. They are not restricted to working in their own area (i.e. the Council area where their license is granted). It is therefore possible for Cheshire East to refuse to grant an applicant a licence; they apply and are granted a licence by a different Licensing Authority, but then work within the Cheshire East area.
- 11.12 This situation causes some concern generally and specifically in relation to Child Sexual Exploitation matters. Especially having regard to the reports in Rochdale and Rotherham and comments made in relation to taxi licensing. Rochdale and Rotherham have demonstrated that under the current legislation there is a potential risk to children and young people in Cheshire East from private hire vehicles licensed by other authorities operating within our boundaries. The profile of our cases does not identify this currently as a major challenge. It is also important to recognise that many potential perpetrators may not have a police record. Whilst a change to legislation would support better safety for all vulnerable groups the focus for work within Cheshire East across the partnership has been to look at how we can work with taxi drivers to become a protective factor in our communities, to understand and report concerns, develop safe practice and support the 'Know and See' campaign (<http://www.knowandsee.co.uk/>).
- 11.13 Any changes to ease of cross border hiring would need to be made by primary legislation and are therefore not within the gift of Cheshire East or any other Council.
- 11.14 It is proposed that a further letter is sent to all local MPs to lobby on behalf of Cheshire East and to the Local Government Association and the Secretary of State for Transport to continue to press for changes in the legislation.

12.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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Our ref: MJ/ke/1242

Date: 03 March 2015

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Cheshire East Council is committed to placing its residents first and ensuring the safety of our public. We have made a commitment to raising the awareness of Child Sexual Exploitation (CSE) and to put this at the forefront of our agenda. This is an issue of national importance and I am writing to you to see your support in tackling the issues we face.

The recent reports into both Rochdale and Rotherham Councils have established that there is a real need for us to protect our young children from sexual exploitation and to realise the important role licensing plays in that process.

Our Licensing Team fully participates in the Council's CSE Operational Group and regularly shares pertinent information and intelligence that we may have. We have taken steps to raise awareness of this serious issue with our licensed trade and to ensure better reporting of potential occurrences. As a Council we are also committed to taking appropriate action against licence holders to disrupt and take away their ability to abuse.

It is vital that this Authority takes appropriate steps to tackle sexual exploitation, but it must also be recognised that in some areas our power to act is constrained by national legislation.

We have recently conducted an audit of the service, which raises some key action points. I would like to raise some of the issues that were identified within that audit as I would seek your support to amend the current legislative regime so that we can tackle issues that may never have been envisaged when the legislation was made.

- It was highlighted in the Independent investigation into the CSE issues in Rochdale that the Council had no way to cap the level of taxi driver licenses within the current legal framework. This was leading to an ever increasing number of taxi drivers with the same or a decreasing level of work, a consequence of which is the potential for an increasing number of taxi drivers to have spare time on their hands. In the current context and recent experiences of CSE this was not seen to be consistent with the needs of the community. The investigator believed that a national review of this situation is now necessary. We would ask that consideration is given to amending the

legislation to allow Councils to impose a cap on the number of driver licenses that can be issued.

- Cross-border hiring is a massive enforcement loophole. It is possible for a driver and vehicle to be licensed by one Council and operate wholly within the area of another Council. This allows the operation of that vehicle to slip through the powers of the two Councils. It would be subject to conditions and requirements of the Council who issued the licence, but any breaches of legislation would be the responsibility of the Council in whose area the offence took place. Because of this conflict it becomes difficult for Councils to regulate the licensed trade. This also allows a potential for those who may be involved in organised CSE to obtain licenses in one area and operate in another with some degree of anonymity.
- Cheshire East has committed to raising standards of our licensed drivers by requiring all applicants for the grant of a licence to hold either the Btec Level 2 Certificate in the introduction to the role of the Professional Taxi and Private Hire Driver or the NVQ Certificate in Road Passenger Vehicle driving (Taxi and Private Hire Driver). I am aware that there are a number of Councils who also make a professional qualification a requirement of the licensing process. However, neither of these courses have units or modules that include information on CSE. Cheshire East Council would support the move towards a mandatory qualification for all taxi drivers to include modules on CSE and for that to be implemented throughout England and Wales.
- To maintain standards across the Country we would also support the introduction of a minimum set of national standards for drivers and vehicles. This was proposed in the recent review undertaken by the Law Commission. Whilst there were some conclusions in the review that should be viewed with care and some opportunities for a needed overhaul of the regime missed this proposal should be given serious consideration. This is especially important given the inconsistent way different Councils consider offences or allegations when determining the fit and proper test. Given the cross-boarder hiring issue there may be instances where Cheshire East has refused to grant a licence because we do not consider them fit and proper but they then obtain licenses within another Authority, whilst still being able to work wholly with our area not having met our requirements.

I am hopeful that you will take these points forward and encourage improved standards to ensure public safety. We would look to work together to influence favourably any changes to the legislation that may be forthcoming. We have a real opportunity to make positive changes to the way taxi licensing works nationally and benefit our residents and our community.

Yours sincerely

Councillor Michael E Jones
Leader of the Council

TAXI AND PRIVATE HIRE SERVICES

SUMMARY

INTRODUCTION

- 1.1 The Law Commission for England and Wales is an independent, non-governmental body which reviews the law and recommends reform. Our report *Taxi and Private Hire Services* presents our recommendations for wholesale reform of the law. Our remit did not extend to making recommendations about the regulation of public service vehicles, or bus services, except to the extent that there is an overlap with taxi and private hire services. The report is accompanied by a draft Taxis and Private Hire Vehicles Bill, which would give effect to those of our recommendations which would require legislative change, and an impact assessment containing the costs and benefits of our proposals.¹

BACKGROUND TO THE REPORT

- 1.2 The current law on taxis and private hire vehicles has evolved piecemeal since taxis in London were first regulated in 1630, primarily as a means of reducing congestion. The regulation of private hire vehicles developed in the latter part of the twentieth century in response to the growing demand for pre-booked services and concerns about the potential dangers associated with unregulated providers.
- 1.3 The law is to be found in numerous pieces of legislation, with different laws applying in London, Plymouth, and the rest of England and Wales. Detailed requirements are determined by individual local licensing authorities, and there is a lack of consistency in the standards applied. This is potentially harmful to public safety, and has a restrictive effect on business. There are overlaps with the regulation of some public service vehicles, in particular those with fewer than nine passenger seats, and there is confusion as to the proper licensing regime for vehicles such as stretch limousines and other novelty vehicles which do not necessarily sit comfortably in any regime. The current law also includes some restrictions which we think impose unnecessary burdens on business, and which we recommend for removal.
- 1.4 The report considers the current law in detail and makes recommendations which would result in the repeal of much of the existing legislation and its replacement with a single legislative framework to regulate both taxi and private hire services.

¹ The full report, draft Bill and impact assessment are available on our website: <http://lawcommission.justice.gov.uk/areas/taxi-and-private-hire-services.htm>.

This would consist of a new Act of Parliament, underpinned by secondary legislation and guidance. The new regime would see the introduction of national standards for all taxis and private hire vehicles, set by the Secretary of State, with the power for local licensing authorities to set additional standards for taxi services only. Local authorities would, however, remain responsible for issuing licences and enforcement in relation to both taxis and private hire vehicles.

- 1.5 The terms of reference for this project required us to consider the potential advantages of deregulation. We took this into account in the formulation of our recommendations, scrutinising each aspect of the regulatory system to determine whether the level of regulation it imposed could be justified. This approach underpins the recommendations made in the Report. In particular we have considered how a lighter-touch and more flexible regulatory regime for private hire services may benefit an industry which is more susceptible to the standard-raising effect of competitive forces than the taxi trade.
- 1.6 In formulating the appropriate level of regulation we concluded that regulatory intervention could only be justified if it promoted one or more of four defined purposes; namely public safety, accessibility, enforcement of the legislation and environmental protection. Our recommendations mean that standards relating to more peripheral issues, such as vehicle types and colours, could only be imposed locally in respect of taxi services.
- 1.7 The recommendations in this Report have been formulated following a wide-ranging consultation with representatives of the taxi and private hire services industries and the regulators, including local licensing authorities, the Traffic Commissioners and the Driver and Vehicle Standards Agency (formally the Vehicle and Operator Services Agency). We also consulted groups representing disabled persons, trades unions, and the police, and welcomed input from specialist consultants. We published a detailed consultation paper in May 2012 to support a consultation during which we received more than 3,000 written responses and attended more than 85 consultation meetings with stakeholders across England and Wales. We have also examined the regulatory structures in different parts of the world, for example, New York, Queensland, Australia, Ireland and parts of the European Union.

THE TWO-TIER SYSTEM

- 1.8 The current regulatory regime differentiates between taxis, which can be hailed in the street or hired at ranks, and private hire services which must be pre-booked.

We considered whether the continuation of this two-tier system was beneficial, or whether it should be replaced by an alternative regime which would permit any licensed vehicle to be used by a licensed driver to pick up passengers in response to hails or at ranks. Although strong arguments were put forward in support of a new “one-tier” system, we recommend that the present two-tier system should be retained, albeit with important changes to the way in which the distinction between the two types of service is drawn. It is our view that the two-tier structure promotes consumer choice and the provision of a wide range of services. Furthermore, the different ways in which taxis and private hire vehicles are engaged make different levels of regulation appropriate, so that a single system would lead to over or under-regulation.

DEFINING TAXI AND PRIVATE HIRE SERVICES

- 1.9 Although we recommend retaining the two-tier system, we also propose significant changes to the way in which the legal distinction between the tiers should be drawn. The current system relies heavily on the imprecise concept of “plying for hire”, which performs the very important function of defining what taxis alone are allowed to do in undertaking rank and hail work. However, the meaning of the concept is not set out in statute and has become the subject of a body of case-law that is not wholly consistent. The advent of new technology such as mobile phone applications which enable the customer to hire a vehicle almost instantaneously has helped to blur the distinction between the two types of service.
- 1.10 The core recommendation which forms the basis of the new framework we propose in this area is the creation of an offence of using a vehicle on a road to carry passengers, where both the vehicle and the driver have been hired for that purpose, without the appropriate licences. A further offence would differentiate between the different types of service by prohibiting anyone other than a licensed taxi driver, in a licensed taxi, from agreeing to use a vehicle for hire for a journey that starts “there and then”. This means that the holders of private hire licences would be prohibited from accepting a “there and then” hiring. Instead all journeys would have to be pre-booked through a licensed dispatcher,² and we recommend that statute should define this term.
- 1.11 Our draft Bill makes a lawful private hire booking one for which records meeting prescribed requirements are kept, and where advance price information is

² The term our draft Bill uses in place of the current “operator”.

available on request. By contrast, customers would continue to be able to approach or hail a taxi for a journey beginning there and then with no need for any arrangements in advance.

- 1.12 Under current law the operator is defined as the person who, in the course of business, makes provision for the “invitation or acceptance” of bookings for private hire vehicles. We think this definition is unnecessarily broad, and brings within its remit intermediaries who may arrange a booking through another intermediary and have no responsibility for selecting the car or driver. We recommend that operator licensing should only cover the functions of dispatching the vehicle and driver to fulfil a pre-booking, and not the functions of inviting and accepting bookings, which in themselves would no longer require a licence. As a result, we recommend that such licensees should be known as dispatchers and should be responsible for ensuring that the booking is fulfilled by a licensed driver using a licensed vehicle, that the appropriate information has been provided to the passenger, and that the required records are made and retained. It would be a criminal offence to carry out the functions of a dispatcher without holding an appropriate licence.

CROSS-BORDER WORKING

- 1.13 We recommend freeing up cross-border working for private hire services. Operators should no longer be limited to using drivers and vehicles from their own licensing area; nor should they be restricted to only inviting or accepting bookings within that licensing area. Under our recommended regulatory framework, licensing district boundaries lose much of their importance in relation to private hire vehicles. National standards for private hire, set by the Secretary of State following consultation, will ensure uniform standards across England and Wales. This will allow consumers to expect, as a minimum, the same level of safety and quality wherever they are, and will remove the incentive for applicants (both taxi and private hire) to seek licences in an area with less exacting standards.
- 1.14 Although local authorities will continue to administer licences applied for in their area, they will do so on the basis of national standards, which they will have no discretion to vary for private hire vehicles and drivers. Once licensed, providers will be able to work across England and Wales and be subject to enforcement action by officers of any licensing authority.
- 1.15 We do not propose any changes to the geographical aspects of the way taxis

work: they will still only be allowed to stand at ranks and accept hails within the area in which they are licensed and they will continue to be allowed to undertake a pre-booked journey starting within or outside that area.

- 1.16 We have heard complaints of problems with taxis seeking licences in an area known for lower standards or lower licensing fees with a view to undertaking pre-booked work elsewhere, sometimes in areas whose standards the vehicle or driver does not meet. Whilst this is within the law, it undermines aspects of the regulatory system. Our recommendations will remove the incentive to engage in this practice as the same or similar minimum standards will apply to both the taxi and private hire sectors; we expect these to govern the most important aspects of driver and vehicle standards. In respect of those standards, taxis will be subject to the enforcement jurisdiction of enforcement officers anywhere.

DEFINITIONS AND SCOPE

- 1.17 Under current law, different legislation applies to London, Plymouth and the remainder of England and Wales. We recommend that the new legislation should apply throughout England and Wales, including London. There has been general support for this, subject to the proviso that the framework is sufficiently flexible to account for the significantly different features of London.
- 1.18 The terminology used in current taxi legislation is outdated and archaic references to stage coaches and stage carriages have led to confusion as to whether pedicabs can be regulated as taxis. Private hire legislation covers vehicles provided for hire with the services of a driver for the purpose of carrying passengers, but there is uncertainty as to whether the provision of transport as part of a wider service, such as childminding, falls within the scope of private hire vehicle licensing.
- 1.19 Uncertainty over the borderline between private hire regulation and the regulation of public service vehicles (which generally covers larger vehicles such as buses and minibuses), has also led to difficulties over the regulation of limousines and novelty vehicles. The issues relate both to which regime these vehicles should currently be regulated under, as this is not always clear and has led to some services escaping regulation altogether, and which regime would be more appropriate under a reformed system. We propose a clear boundary between the two regimes.
- 1.20 As a deregulatory measure, we also recommend a change in the law to enable the providers of taxi and private hire services to use vehicles with the capacity to

carry up to 16 passengers in particular circumstances under their existing licence. This would provide more flexibility for operators to use larger vehicles where it suits their business model without the additional burden of having to obtain a separate public service vehicle operator licence.

- 1.21 We recommend that taxi and private hire regulation should cover the use of a vehicle to carry one or more passengers, where the vehicle and driver have been hired for that purpose. The draft Bill provides an exception for transport provided as part of a wider service, such as that provided in hotel courtesy cars or by carers, and of transport provided in connection with weddings and funerals, which is already exempted from regulation. Significantly, we propose bringing stretch limousines and other novelty vehicles clearly within private hire regulation. The same is true of pedicabs, which are already regulated as taxis outside London, but will fall within taxi licensing in London for the first time, pursuant to our reforms.
- 1.22 We also make recommendations to clarify what vehicles and services should be subject to licensing obligations. The reference to “hire” in our Bill limits the regulation to commercial activities, thus excluding informal car sharing arrangements where any financial contribution is limited to a share of expenses. We also recommend that the Secretary of State should have the power to exempt particular vehicles or services from licensing.

COMMON NATIONAL STANDARDS FOR VEHICLES, DRIVERS AND DISPATCHERS

- 1.23 Currently, standards for taxis, private hire vehicles, drivers and private hire operators are set by local authorities, which are responsible for the administration of the licensing system. This leads to substantial regional variation, even in such critical areas as the treatment of past criminal convictions and medical conditions. It can have a very restrictive effect on business, by making it difficult to be licensed in more than one area as a means of expanding one’s business.
- 1.24 A key innovation in our recommended framework is the introduction of national standards for taxi and private hire vehicle licensing. These standards would relate to drivers, vehicles and dispatchers (as our draft Bill calls operators). The content of national standards would be determined by the Secretary of State further to a statutory consultation with specified stakeholders including the trades, regulators and disability groups. We are recommending that national standards should be limited to defined purposes, namely public safety, accessibility, matters relevant

to the enforcement of the legislation and environmental protection. In respect of private hire services, national standards should entirely replace locally-set conditions. In respect of taxi services, by contrast, we recommend that national standards should be capable of being supplemented at local level.

CRIMINAL OFFENCES SPECIFIC TO THE TRADES

- 1.25 We propose the abolition of a number of out of date offences; in place of them we propose a more streamlined set of offences contained in our draft Bill together with reliance on the general criminal law or on licence conditions. We propose that the Secretary of State have the power to designate the most important nationally set standards so that breach of them will be a criminal offence.

LOCAL TAXI STANDARDS AND TAXI FARE REGULATION

- 1.26 The continuing ability of licensing authorities to set additional conditions would be subject to procedural requirements relating to consultation and publication. Our recommendations also retain the current system of leaving fares to the discretion of the local authority. Drivers would continue to be able to charge more than the metered fare where a journey begins inside the licensing area but ends beyond the compellable distance, provided the fare is agreed and recorded in advance. However, we recommend that licensing authorities should not have power to regulate third party booking fees which are agreed in advance, as these represent a genuinely competitive aspect of taxis working in the pre-booked market.

ADMINISTRATION OF THE LICENSING SYSTEM

- 1.27 Administration of the licensing regime and enforcement should continue to be carried out at local level by licensing authorities. Taxi licence fees should continue to be set on a cost recovery basis, with a uniform licence fee for private hire services to discourage applicants (who would now be subject to the same requirements across England and Wales) applying to an authority for purely financial reasons. We recommend procedural steps to improve co-operation between licensing authorities, to assist with administration and enforcement. We also recommend a more flexible power to create, remove and modify taxi zones, which would be subject to a public interest test.

QUANTITY RESTRICTIONS

- 1.28 We recommend allowing licensing authorities to continue to limit taxi numbers. We do not regard the current statutory criterion of “unmet demand” as appropriate and instead suggest a test based on the public interest, combined

with procedural requirements such as a review every three years and a duty to consult.

- 1.29 Whilst we accept that quantity controls can be a positive regulatory tool for licensing authorities, when exercised in accordance with the public interest and appropriate safeguards, they have the undesirable side-effect of creating inflated plate values (effectively transfer fees for vehicle licenses) which act as a barrier to entry. We recommend that there should be no changes to the transferability of licence plates in areas that currently have quantity restrictions, so that licence holders who may have invested a considerable amount of money to purchase the licence, or otherwise reasonably expected their plate to have accrued substantial value, would not be negatively impacted by our reforms. On the other hand, taxi licences in areas which first introduce quantity restrictions only after our reforms come into force should not be tradeable. This would prevent new plate values from arising in areas which introduce quantity restrictions only after implementation of our reforms.

EQUALITY AND ACCESSIBILITY

- 1.30 Although the general provisions of the Equality Act 2010 applicable to service providers apply to taxi and private hire services, it is clear that disabled passengers continue to suffer difficulties in obtaining and using these services. Furthermore, variable standards in relation to driver training and vehicle specifications mean that passengers may have very different experiences from one area to another.
- 1.31 We recommend that taxi and private hire drivers, both new and existing, should be required to undergo disability awareness training as a pre-condition of the grant or renewal of a licence. Our proposals give licensing authorities the power to introduce a new duty to stop when hailed, associated with compellability to help address the problem of drivers ignoring disabled passengers. Our recommendations to make complaints procedures more accessible can also be particularly valuable to empower disabled users.

ENFORCEMENT

- 1.32 Under our recommendations, enforcement would remain the responsibility of licensing authorities. However, under current law, licensing officers are only able to take action against their own licensees. Furthermore, many licensing enforcement officers told us that their powers were not sufficient to tackle the breaches of conditions and licensing law they encountered.

- 1.33 Many of the problems with enforcement derive from the lack of adequate resources and a perceived lack of interest in enforcing existing rules. These are not issues that legal reform is apt to address. On the other hand, we make a range of recommendations to enhance licensing officers' powers, including granting them powers to stop a licensed vehicle on a road, without the need for a police officer to be present; to impound vehicles for touting; and to issue a fixed penalty notice to a person whom they have reason to believe has breached any provision in national standards.
- 1.34 We also recommend that such powers should apply in respect of out-of-area vehicles. Our proposed reforms will make it possible for licence conditions prescribed as part of national standards (which will form the entirety of private hire licence conditions as well as the core of taxi conditions) to be enforced by any licensing officer against any licensee, across England and Wales.

HEARINGS AND APPEALS

- 1.35 The current law is characterised by inconsistency and complexity. We propose a simplified, uniform system. We recommend that the procedure for statutory appeals should be standardised across England and Wales (including London) for all forms of licence and irrespective of whether the decision challenged is a refusal of an application for a licence, a suspension or a revocation. In line with the current London model, applicants should be able to require the licensing authority to reconsider its original decision, the second stage in the statutory appeal process being an appeal to the magistrates' court, with a further right of appeal to the Crown Court. Further, we recommend that local taxi conditions should be amenable to a streamlined judicial review procedure in the County Court.

23 May 2014

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 19th January 2016
Report of: Chief Operating Officer
Subject/Title: Everybody Sport & Recreation Annual Report
Portfolio Holder: Councillor Sam Gardner, Open Spaces

1. Report Summary

- 1.1. This report provides Cabinet with the background information on the transfer of the Council's leisure centre and sports development services to the charitable trust "Everybody Sport & Recreation" (ESAR). It also provides an update on the first year of operation and performance of the Trust through the presentation of its first Annual Report to the Council.

2. Recommendation

- 2.1. Cabinet is requested to note the progress made by the Trust in its first year of trading as an independent charitable trust. It is requested to examine the performance information provided in the Annual Report to ensure that the maximum benefits and required outcomes for the residents of Cheshire East are achieved.

3. Other Options Considered

- 3.1. Under the performance reporting Framework for the Council's Alternative Delivery Vehicles (ASDV's) there is a requirement on Everybody Sport & recreation to report back to the Council with its Annual Report.

4. Reasons for Recommendation

- 4.1. As the Council moves towards being a "Commissioning Council", ESAR as one of the Council's new Alternative Service Delivery Vehicles (ASDVs) is key to the delivery of a range of services and "outcomes" for local residents, in particular Outcome Five "People Live Well & For Longer" and it is important to ensure that these are achieved through the ongoing monitoring of the Contract.

5. Background/Chronology

- 5.1. In February 2014 Cabinet approved the transfer of the management of a range of services to the new Charitable Trust "Everybody Sport & Recreation". The new Trust was formally established in March 2014 with a Board of eleven including two Cheshire East Council representatives. The Trust is part of the Council's wider drive to become a "Commissioning Council".

- 5.2. The services and staff (over 750) formally transferred to the Trust on the 1st May 2014. In addition to the leisure and sports development team the management of the following leisure facilities was also transferred –

Alsager Leisure Centre
Barony Park Sports Complex
Congleton Leisure Centre
Crewe Swimming Pool & Fitness Centre
Holmes Chapel Leisure Centre
Knutsford Leisure Centre
Macclesfield Leisure Centre
Middlewich Leisure Centre
Nantwich Swimming Pool and Fitness Centre
Poynton Leisure Centre
Sandbach Leisure Centre
Shavington Leisure Centre
Sir William Stanier Leisure Centre
Victoria Community Centre – Oakley and Cumberland Arena Crewe
Wilmslow Leisure Centre

- 5.3. The Leisure Operating Contract contains a range of elements to ensure that the Trust provides the services required by the Council. These are set out in a Service Specification which helps form the basis by which the Council monitors that the Trust is delivering on the outcomes expected by the Council as part of its Residents First Approach. The commissioning and monitoring of this service is undertaken by the Strategic Commissioning team who receive quarterly reports on the Trust's progress and performance against a range of contractual performance indicators.
- 5.4. In support of the Annual Report submitted to the Council attached Appendix 1, one of the key tasks for the Trust was the development of its Business Plan to determine its long term strategic vision and aims. This has also been published by the Trust and is attached Appendix 2.
- 5.5. The Annual Report demonstrates the successes that have been achieved by the Trust within its first year of trading and both the Chairman of the Trust Councillor Kolker and Peter Hartwell the Chief Executive Officer will attend the meeting to present the Report and answer any questions.

6. Wards Affected and Local Ward Members

- 6.1. N/A

7. Implications of Recommendation

7.1. Policy Implications

7.1.1. The establishment of the Trust was in line with the Council's drive to become a "Commissioning Council". The presentation of the Annual report to the Council is in line with the reporting requirements as set out in the Leisure Operating Contract.

7.2. Legal Implications

7.2.1. The presentation of an Annual Report to the Council is in line with the requirements of the Leisure Operating Contract and allows the Council to be updated on the performance of the Trust.

7.2.2. ESAR currently operates a contract of ten years in length which can be extended for a further five years subject to agreement by both parties. The contract commenced on 1st May 2014 and includes a range of leisure centre leases that also run co-terminus with this term.

7.3. Financial Implications

7.3.1. The Trust receives a Management Fee for the delivery of service to be renegotiated annually with the Council. In addition the Trust also "buys back" a range of services from CoSocius including ICT services, Oracle and payroll support. The latter was to ensure a smooth transition into the new way of working and continuity of service to users. The Trust will consider in future years if it wishes to continue to buy these services from the Council as it does at present or seek an alternative provider. Whilst the Council has transferred the majority of the leisure centre sites to the trust by way of a lease the responsibility for the buildings remains with the Council as Corporate Landlord. This at present includes the provision of elements such as repairs and maintenance, capital improvements and energy provision.

7.3.2. The Trust is a fully independent organisation and it is required by the Charities Commission to submit a full set of accounts. The Trust's financial position will be reported to the Council as part of the company's Annual Report. The Trust is a company limited by guarantee, and under this status the trust is additionally a "not for profit" organisation which means it has to reinvest any surpluses into services and facilities.

7.3.3. The annual Management Fee takes into account a number of elements including the success of the previous financial year and the commissioning requirements of the Council for the forthcoming year.

7.4. Equality Implications

7.4.1. The Trust as illustrated in the Annual Report remains committed to ensuring that services are delivered to all residents in Cheshire East including provision to those of all ages and with disabilities.

7.5. Rural Community Implications

7.5.1. The Annual Report demonstrates the Trust's commitment to delivery across Cheshire East including within rural communities.

7.6. Human Resources Implications

7.6.1. There are no implications

7.7. Public Health Implications

7.7.1. As set out in 4.1 above the Trust is expected to be a significant contributor to the Council's "Outcome Five – People Live Well & For Longer" in support of improving the health of local residents as set out in the Council's Three Year Plan. The Annual Report addresses the Trust progress on this area of work.

8. Risk Management

8.1. In addition to the requirement to deliver it's Annual Report to the Council, to ensure that the Trust are delivering the requirements of the Leisure Operating Contract, the Council currently monitors the performance of the Trust on a formal regular basis including, quarterly performance meetings and reports, the submission of performance indicators as part of the Council's Corporate Performance Management Framework and regular on site visits.

9. Access to Information/Bibliography

9.1. Appendix 1 – Everybody Sport & Recreation – Trustee's Report & Financial Statements Period Ended 31st March 2015

Appendix 2 – Everybody Sport & Recreation Business Plan 2014/17 – Providing Leisure For Life

10. Contact Information

Contact details for this report are as follows:-

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Everybody Sport & Recreation

Trustees' Report and Financial Statements

Period Ended 31st March 2015

Company Registration No: 08685939

Charity Registration No:1156084

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Everybody Sport & Recreation (Registered Company Number 08685939)
Trustees' Report & Financial Statements for the Year Ended 31st March 2015

Trustees, Directors, Principal Officers & Advisors

Everybody Sport & Recreation is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

Company No. 08685939 Charity No: 1156084

Trustees

The trustees presently serving are:

Andrew Kolker (Chair)	Martin Hardy
Philip Bland (Vice Chair)	Andy Farr
Zoe Davidson	Colin Chaytors
Gillian Benning	Richard Middlebrook
Harry Korkou	Christine Gibbons
Anne Turpin (resigned 22/8/14)	Anita Bradley (resigned 25/9/14)

Auditors

Crowe Clarke Whitehill, 3rd Floor, The Lexicon, Mount Street, Manchester, M2 5NT

Bankers

Barclays Bank, 38 Market Street, Crewe, CW1 2ET

Company Secretary

Oakwood Corporate Services

Principal Officers

Peter Hartwell	<i>Chief Executive</i>
Paul Winrow	<i>Operations Director</i>
Kerry Shea	<i>Finance Director</i>
Thomas Barton	<i>Head of Human Resources & Operational Development</i>
Geoff Beadle	<i>Head of Leisure Development</i>
Jon Winkle	<i>Head of Marketing</i>

Registered Office: 3rd Floor, 1 Ashley Road, Altrincham, WA14 2DT

Chief Executives Report

Welcome to our first Annual Performance Report, looking back on our achievements and successes during 2014-15.

On the 1st May 2014, we established Everybody Sport & Recreation in an atmosphere of hope, anticipation and a strong belief that, given the right working environment, we could deliver so much more to our customers. At the same time we were all understandably apprehensive about leaving behind the 'safety net' of the local authority and becoming an independent charitable company.

Any new business has its challenges, especially in its first year of operation, but we have come through everything we have faced and helped make a real difference to the lives of local residents.

I hope to demonstrate the impact we have already had later in this report but for me, this year was about making the break from local authority control, establishing a new culture based on new values, exploiting the potential of our staff's skills & expertise and crucially laying the foundations for a strong, customer-focussed, charitable business.

2014-15 was a year of significant change and development, a time when all staff responded magnificently to the challenges facing them. There can be no doubt they have positioned us well for the future – operationally, culturally and financially. Time and again this year I have been both proud and humbled by the attitude and response of staff to the changes we have had to make in pursuit of creating our new organisation.

Since transfer we have already saved over £1.65M per annum, protecting local centres from the risk of closure as well as allowing major investment in brand new facilities across the borough. At the same time we have spent over £200k on new equipment and facilities in Knutsford, Wilmslow, Alsager and Shavington centres.

We have welcomed over 2.7M customer visits and increased our memberships by over 1,000. Our volunteers have been fantastic throughout the year and we have seen their hours spent supporting us increase to a record 7,200 following the hugely successful Queen's Commonwealth Baton Relay event in Congleton.

We have begun the development of a new working relationship with our key partners of Schools, Clubs and Town & Parish Councils that will help ensure our services continue to operate at the heart of their community, delivering against local need.

"The further back we look, the further forward we can see" – so said Winston Churchill. As I reflect on our first year, filled with fantastic sporting activities and inspirational customer achievements, I can see an exciting future ahead for all of us.

Our plans for 2015-16 can be summarised as 'Investment & Opportunity'. With confidence now in our finances, we will accelerate our spending plans, introduce

Everybody Sport & Recreation (Registered Company Number 08685939)
Trustees' Report & Financial Statements for the Year Ended 31st March 2015

innovative new services and create more chances for people to change their lives through participation in active recreation.

We will develop our culture, building an ever-stronger team spirit geared to delivering better services to our customers. We will invest in new products and facilities supported by further training and learning opportunities for staff. Crucially we will create more jobs and apprenticeships in leisure, continuing the recruitment successes and employment growth of our first year.

I am grateful to all our staff for their dedication, loyalty and hard work in making our first year such an overwhelming success. We have done well and thankfully there is always more to do. I look forward to working alongside you in the years to come.

I would like to recognise the work of our Trustees too. They have all freely given so much of their time, experience, skills and expertise to support me and guide our charity. Importantly their challenge and direction to the senior management team has been largely responsible for the wonderful position we now find ourselves in.

Finally, I want to say a big thank you to our customers and members – without you we cannot and will not succeed. We exist to serve you and I hope you have already benefited from our early improvements and investment. Together we can do so much in your communities to improve health & wellbeing and provide 'leisure for life'.

It has been an exciting, busy and rewarding first year – best of all we have only just started.

Best wishes

Peter Hartwell – Chief Executive 31st May 2015



TRUSTEES ANNUAL AND STRATEGIC REPORT (being the Companies Act Directors' Report

Objectives and Aims

Everybody Sport & Recreation is a company limited by guarantee with charitable status, formed in May 2014 from the transfer of the leisure services portfolio of Cheshire East Council. We are an independent 'not for profit' organisation and reinvest all surpluses back into the services we provide. This report covers the eleven month period to March 2015, We intend to report on a twelve month period in future years.

Everything we do will seek to support our charitable objects, as set out in our *Articles of Association* and demonstrate a public benefit. Our objects are;

"the provision or assistance in the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large save that special facilities may be provided to persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services" and;

"the promotion and preservation of good health including, but not limited to community participation in healthy recreation"

In delivering these objects and developing activities for the forthcoming year the Trustees have considered the Charity Commission guidance on public benefit and fee charging. *Everybody Sport and Recreation* relies on a management fee and the income generated from fees and charges to cover its operating costs. In setting the level of fees and charges and concessions for the activities on offer the charity gives careful consideration to accessibility to the facilities and activities for those on low incomes.

Everybody is responsible for the day to day management of a range of facilities and leisure development activity through the staff and senior management team.

Strategic direction is provided by the independently appointed Board of Trustees in accordance with the contract and funding agreement with Cheshire East Borough Council. The Board has ultimate responsibility for the governance of the Trust and supports and challenges the senior management team.

There are 11 Trustees on the Board, all of whom are local volunteers with a wide variety of professional backgrounds from various sectors. They bring a wealth of expertise and experience to help shape and improve our services.

At *Everybody*, we don't just believe in getting more people, more active, more often – that goes without saying! In order to make a real impact on the health and social issues affecting our communities, we need to target our efforts and our service offer. Only in this way can we make participation in leisure and recreation an important part of everybody's day to day lives, whatever their ability or financial circumstance.

Our simple vision of providing 'Leisure for Life' seeks to make participation in any activity an enduring habit from the earliest years to later life, helping people to live well and for longer.

An essential part of establishing *Everybody* as an independent charity was to develop a new set of organisational values. These six themes have been produced through a series of staff and Trustee workshops and they will guide our actions in the years ahead.

If we are to succeed in delivering on our mission and strategic aims, we will only do so by working with these values at the heart of all that we do.

Our Values	
Fit For The Future	We will give everyone the opportunity to train and enhance their skills by encouraging people to develop themselves and others. Creating and promoting 'careers in leisure'.
Working As One	We will all work to the common goal of providing "leisure for Life" and support each other in all we do.
Trusted And Honest	We respect and value the input of every person and at all times act with integrity and respect.
In The Service Of Others	We will provide first class facilities and services that are well maintained, inviting and valued by our customers.
Free To Do Our Best	Our culture and business processes will support people to act on their own initiative - with innovation being recognised and rewarded.
Caring For All	We will actively seek to involve everyone in all communities, working in partnership and with a passion for people.

The fifteen leisure facilities managed by *Everybody Sport and Recreation* Trust are the main component of the Trust's wider offer to enhance the health and quality of life of the residents of Cheshire East, as well as those who work in or visit the area.

With 2.7 million visits each year from all ages and have over 9,000 members across the borough, the leisure centres provide programmes and activities that contribute enormously to the social, educational and economic life of the community and to the physical and mental health and wellbeing of local people.

By providing targeted initiatives in those areas of greatest need, whatever the cause, we will actively seek to reduce health inequalities across the Borough. At the same time, sport and recreation will help tackle anti-social behaviour and assist with town centre regeneration through greater participation, events and activity resulting in increased footfall in our centres.

Our Health Trainer programme is ensuring that we impact on those individuals most in need of our help. Health Trainers provide confidential one to one support and guidance to adults who want to improve their health. During this initial phase we have taken 290 referrals from GP practices with dramatic results. By week 12 of the programme 59% of people were achieving the recommended moderate activity levels compared to 19% at week 1. Blood Pressure significantly decreased in all attendees. Clients on prescription medication reported a 50% decrease by the end of the programme. Whilst these benefits over the 12 week programme are significant, all indications show that the longer term benefits are going to be even greater with 52% of clients taking on an Everybody Membership at the end of their programme.

We offer concessionary rates to ensure that we can maximise our public benefit to all communities within Cheshire East. The Everybody Sport and Recreation Options Scheme offers discounted packages to people with financial restrictions, by giving savings of 40%. Of our 9,000 membership, 35% are on the Options Scheme.

Involvement in sport and active recreation has the potential to enable everyone to gain access to an avenue of activity and social networks which will remain with them throughout their lives, for some it will lead to performance at the highest level.

Our development programme ensures that pathways and structures are in place to enable people to learn basic skills, participate in an activity of their choice, develop their competencies and reach levels of performance according to their individual aspirations and ability.

Everybody Sport & Recreation will put in place the building blocks and create the right conditions so that sport, play and active recreation can flourish at all levels. Through effective partnerships we will introduce people to active recreation opportunities, teach them the necessary skills and give them the opportunity to participate and enjoy leisure at their own level - whether this is simply playing in a local park with friends, joining in at their local leisure centre or even, representing their country.

Achievements and Performance

1. Grow an ethical and sustainable business

Our first year has proved very successful financially despite the inevitable one-off costs for any new business in building a new website, re-branding where necessary and setting up new systems and procedures. We set out to ensure the Trust has a sound financial base from which to expand and invest and we have achieved a good surplus. This will be re-invested in our services in accordance with our business ethos and our Reserves Policy.

In addition, after detailed negotiations with Cheshire East Council, we have secured a fair and reasonable settlement for 2015-16, equally sharing the current cost pressures and accounting 'errors' in the original fee level.

Crucially we have delivered on our savings target and achieved over £1.65M of annual savings – equating to almost £25M over the life of our contract. This saving has helped keep front-line centres open for business and fund new facilities at a time when many Councils are facing difficult decisions on spending priorities.

We ensured that over £200,000 has been spent in our centres with investment on new equipment, gym / studio refurbishments at a number of our facilities and of equal importance, the training & development of our staff.

We have continued to play a key role in the Council's major investment plans for both Crewe Lifestyle and Congleton Leisure Centres, helping with the design and operational requirements to optimise the social and financial return on this significant investment. These projects are now well underway and will provide much improved services and facilities for leisure and for the future regeneration of these towns.

OVER 40 NEW CAREERS IN LEISURE

Since the launch of the Trust in May 2014, Everybody has been able to recruit over 80 new roles in leisure including cleaners, receptionist's, lifeguards and managers. The

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recruitment drive is continuing in 2015 as the trust aims to create more permanent roles in the leisure industry, relying less on casual staff.

1000 NEW EVERYBODY MEMBERS!

We have welcomed 1000 new members since the launch of the Trust. Thank you all for choosing us and we look forward to helping you all achieve your health and fitness goals!

PLANNED £4M INVESTMENT IN MACCLESFIELD LEISURE CENTRE

We have also helped Cheshire East Council put together their business case for the planned £4M investment at Macclesfield LC from 2016-17.

2. Provide a great customer experience

Like any business, our customers are our lifeblood. Without satisfied customers we will fail and services will be put at risk. We have maintained and in some cases improved our leisure industry quality accreditation (QUEST) scores for all centres and with Health & Safety remaining our top priority, I am pleased to see a significant reduction of 17% in accidents for both customers and staff. There is no room for complacency and we will continue to invest and prioritise health & safety for all.

We carried out a detailed customer survey in our centres and for the first time, made this available on-line. This more than doubled the responses we had received in previous years and established our 'baseline' performance at an overall 80% satisfaction. Importantly, it identified key strengths we want to build upon as well as areas we must improve such as the provision of catering and refreshments, cleanliness and maintenance standards.

Our staff scored almost 9/10 for their friendliness and knowledge and we have sought to develop that good relationship with our visitors by delivering formal customer service training for all staff and in a number of centres, improved the look and feel of our reception desks and areas. By simply removing the glass partitions between staff and their customers we can say welcome more effectively.

We have increased opening hours at a number of centres where customers told us they would like to visit us earlier in the day and invested in the outdoor brine pool at Nantwich to open a month earlier than previously. These facilities belong to our communities and we have worked hard to ensure we maximise access to them.

To better understand the needs of our customers and then direct our resources to meet them, we carried out extensive market research and analysis. From this we have prepared our first Marketing Strategy which will be vital in re-shaping our

services and offer to maximise participation and enjoyment for everyone, whatever their age or ability.

I am delighted that, as a result of the savings we have made and having been able to operate more efficiently as an independent charity, we have once again been able to hold all our prices for the second year running at the level set by Cheshire East Council in 2013. Price cannot be a barrier to improved health and we must ensure access to leisure and recreation for all.

TRIATHLON SEASON

Everybody saw some fantastic triathlon and duathlon events during 2014 in Macclesfield, Wilmslow, Nantwich Outdoor Pool and Poynton.

HEART SAFE GYM OF THE YEAR SHORTLIST

In the last 12 months we have trained over 250 of our staff from lifeguards to managers to use the AED's (defibrillators). Due to this we were nominated for Heart Safe Gym of the Year and made it to the final shortlist.

WILMSLOW GETS NEW SPIN BIKES

Wilmslow now have a suite of new spin bikes (Matrix ic3) in the fitness suite with two of them hooked up to the Matrix myride. This enables you to do a virtual instructor led or custom made session without an instructor

NEW ALSAGER GYM OPENING

Alsager has been refitted with a brand new fitness suite, comprising of top of the range equipment. The suite now has brand new Matrix CV and Resistance Training equipment including the sought after Elliptical trainer that works the whole body! The official opening was in January with special guests including Olympic Freestyle Skier Rowan Cheshire and Swimming Athlete Olivia Cork!

INCREASED CENTRE OPENING

Due to customer feedback Everybody made the decision to increase opening hours of the leisure centres during the Christmas Holiday and Bank Holiday Seasons. Wilmslow Leisure Centre even opened on Boxing Day welcoming customers who wanted to burn off their turkey dinners in the gym and pool!

ZERO TO HERO PARTNERSHIPS

Everybody has collaborated with fitness event organisers across the UK to launch exclusive member benefits including discounts and merchandise. Members who signed up to the Everybody Challenge can now go from Zero to Hero by taking their training to the next level and committing to take part in events such as Born Survivor, Hell Runner and the UK Triathlon Series.

SHAVINGTON'S NEW FUNCTIONAL TRAINING RIG

Shavington's gym has recently been improved with the addition of a new functional rig. It is designed with a number of pull bars as part of its framework with separate attachments, TRX Suspension and a punch bag to work a variety of muscles groups.

HOLMES CHAPEL 3G PITCH OPENING

Former England international footballer Dean Ashton opened Holmes Chapel's new 3G pitch on 11th February. Everybody is working with Holmes Chapel Comprehensive School to manage bookings for football tournaments, walking football, junior coaching, girls football and more!

FREE PARKING FOR NANTWICH POOL CUSTOMERS

From 1st May Everybody customers will benefit from up to two hours free parking when using the facilities at Nantwich Pool. This is as a result of a recent customer survey and following the support of Cllr David Marren.

STUDIO IMPROVEMENTS IN KNUTSFORD

The 'Attic' Room was refurbished earlier in the year creating a fantastic new fitness studio for a range of classes.

EARLY MORNING OPENING FOR MACCLESFIELD & WILMSLOW CENTRES

Due to customer demand both these centres are now open much earlier in the morning for anyone looking to exercise before their journey to work!

NANTWICH POOL OPENS EARLY FOR SUMMER

Nantwich Brine Pool has been opened a month earlier than in previous years following customer feedback in 2014. Our early investment to get it ready sooner recognises it is an important destination facility for visitors and we are proud it has been named one of Britain's best outdoor pools by the Daily Telegraph.

3. Develop our people to be the best

Staff development is absolutely vital if we are to empower them to act in the best interests of our charity and our customers, day-to-day.

Building a new culture, true to our new values, has been a key aim for our first year. We set out to emancipate staff from the bureaucracy and centralised control of a local authority environment, allowing them the freedoms and flexibility to respond to customers' needs and look to improve services every day.

Our hugely successful volunteer programme continues to go from strength to strength and this year we saw our very own Daniel Massey win the National Volunteers Volunteer of the Year Award.

During 2014/15 80 new volunteers joined our volunteer programme. In total our volunteers contributed 7,076 hours in a variety of areas, some within our facilities but many more out in the community through our Street Sports programme and Nordic Walking Groups. Volunteers, following training, go out into clubs across the Cheshire East area making the impact and reach of such a programme even more dramatic.

We set out to reduce our reliance on and use of 'casual' contractual arrangements for staff and in doing so we have created over 80 permanent jobs across the business. This gives staff the security they need in their lives as well as securing the necessary staffing resources we need to plan and deliver our services.

We have reorganised our management structures, saving over £125,000 per annum whilst at the same time investing in operational centre teams, our outreach service and marketing activity. All geared to develop and improve our service offer to customers and communities.

It is testament to the morale and calibre of our staff that, in order to achieve a saving of £350,000 per annum required by CEC, they individually agreed to give up their previous entitlement to weekend pay enhancements enjoyed under Local Government Terms & Conditions. They did this knowing that it was essential to the future commercial viability of the Trust and I am indebted to them for their commitment to and support for the services we provide to local people.

UK VOLUNTEER OF THE YEAR WINNER

Daniel Masser's story of bravery, dedication and determination was rewarded with the North West Winner and Volunteer's Volunteer Award, as voted for by fellow volunteers from all around the country, at The Co-operative Street Games Young Volunteers awards.

LIFEGUARD TRIATHLON WINNER

A record number of lifeguards took part in the 9th annual CIMSPA & IQL UK lifeguard triathlon. 981 lifeguards from 58 pools across the UK competed and our very own Adam Frost was crowned overall winner with a perfect 100% score!

EMPLOYEE OF THE YEAR

Hilary Pemberton was awarded Employee of the Year after making an exceptional contribution to the new organisation at Macclesfield Leisure Centre consistently going above and beyond in her role as Duty Manager. She was voted for by customers, colleagues and her manager.

APPRENTICESHIP SCHEME LAUNCH

From 1st May, Everybody is providing 10 apprenticeship opportunities to gain first hand experience of a number of areas within the leisure trust. Opportunities include Leisure Operations, Leisure Development and Business Support.

NATIONAL CAREERS WEEK JOB SWAP

Members of staff from different areas of the business took part in a job shadow day to find out more about their colleagues. CEO Peter Hartwell took part swapping his suit for swimming shorts and helping swimming teachers with their lesson!

4. Build strong communities and effective partnerships

We got off to the very best of starts in engaging the community at the Queen's Commonwealth Baton Relay event in Congleton. With over 10,000 people attending we rekindled the local legacy of the Olympic Torch Relay in 2012. As a result we have seen a record year for volunteering.

We have worked with CEC and Schools to assist the transition from the historical 'joint-use agreements' for some of our centres to broker a new arrangement that continues to support schools to deliver their curriculum whilst improving community access to these leisure facilities on a daily basis.

Our 'Bikeability' Scheme has trained over 6,000 Years 3 & 4 schoolchildren – over 700 more than the DfT-funded target.

CONGLETON QUEENS BATON RELAY

Thousands of cheering families welcomed the Queen's Commonwealth Baton Relay to Congleton.

They flocked to enjoy a community event marking a milestone in the town's history as the only non-city in England selected to host the baton on its epic journey to Glasgow.

Everybody Leisure staff staged a wide range of sport-related activities to encourage a healthy lifestyle with families enjoying taster sessions at Congleton Leisure Centre and fun sport in the park.

SUMMER HOLIDAY PROGRAMME

Every year our centres create a fun-filled programme of activities for families during the summer holidays. In 2014 the leisure development team included a day-long street sports tournament at the Cumberland Arena which saw 7 a-side teams compete to be 'Street Sports Champions' for 2014 with ages ranging from 8 to 16 years and 16 to 25 years.

The programme also included Sandbach Leisure Centre supporting the National Play Day in the town park hosting sports themed activities for both children and adults including the step challenge and football goal challenge.

NATIONAL TABLE TENNIS TOURNAMENT

The Special Olympics GB 2014 National Table Tennis Tournament returned to its regular home at Sir William Stanier Leisure Centre in Crewe on 10 – 11 May. The annual event, organised by the South Cheshire Special Needs Table Tennis Club for the last twenty years, saw players from all over Britain take part with the Crewe-based club winning over thirty of the medals available.

EVERYBODY THEATRE'S FIRST SELL OUT PANTOMIME

For one night only Alsager Leisure Centre transformed the Sports Hall into a theatre and hosted its first ever pantomime 'Cinderella'. Oh no you didn't, oh yes we did!

The night was a resounding success with over 200 tickets sold to families of all ages. We would love to hear more ideas of how our sports halls can be transformed!

RUNNING CLUBS IN NANTWICH, CREWE AND POYNTON LAUNCHED

Run leaders in locations across Cheshire East have launched a number of running clubs to help Everybody customers start on their fitness journey. Whether a complete beginner or training for an event the running clubs cater for all and are welcoming more members to join throughout the year.

RECORD YEAR FOR VOLUNTEERING

Our Volunteer scheme saw a record year with 7,076 hours of volunteering. Our volunteers are vital in delivering coaching, play schemes and supporting with events and activities throughout Cheshire East.

6,000 CHILDREN TRAINED WITH BIKEABILITY

Bikeability scheme over achieved with in excess of 6,000 Years 3 & 4 children trained (DfT funded 5,300 spaces).

5. Change lives through healthy recreation

There are so many individual, team, club and community stories that demonstrate the power of sport and recreation in tackling so many of our society's challenges, we have space to tell just a few of them here. In truth, such personal and public triumphs are the real measures of our success and in my view, are themselves worth the investment in leisure services alone.

Our first brand new product – 'Everybody Healthy' sought to take on a wide-range of health determinants including smoking, obesity and inactivity with participants being referred by their GP or by themselves to work on a one-to-one basis with our qualified Health Trainers. Recent independent evaluation of the scheme by MMU concluded "the Everybody Healthy pilot indicates a positive impact on meaningful outcomes.....and every attempt should be made to ensure its continuance" This we will do, developing the offer further and expanding its availability across the Borough through our network of facilities.

Our Awards Evening celebrated the achievements of Cheshire East residents during 2014 and, in many cases, over a lifetime of dedication, to sport and recreation in their communities and clubs. Again, we will build on this Awards Evening success and get bigger and better in the years to come, recognising more people for their often unsung efforts.

CREWE POOL 100 MILE CYCLE CHALLENGE

A team from Crewe Pool took part in the 100 mile challenge to raise money for cancer. The challenge included climbing Snowdon (8miles), biking back to Crewe (90miles) and swimming 108 lengths (2 miles) – all in one day. Thanks to everyone's generosity they managed to raise £3,011.90!

EVERYBODY HEALTHY PILOT LAUNCHED

Everybody in partnership with Cheshire East Council Health Improvement Team is piloting a new lifestyle programme in Crewe and Nantwich targeting those who are overweight, who smoke, are inactive or have mental health issues. Health Trainers work on a one-to-one basis providing specialist fitness, nutrition and lifestyle advice.

EVERYBODY AWARDS

On 20th November 2014 the Everybody Awards were held at Cranage Hall, Cheshire where inspiring volunteers, sporting clubs, and individuals from the region gathered to be recognised for their achievements and helping change lives through healthy recreation.

EVERYBODY CHALLENGE SIGN UPS!

It only takes 30 minutes of exercise five times per week to change your life. 100's of our Everybody customers and sporting stars signed up to the Everybody Challenge in 2014-15 to pledge to get more active and are now taking on phase two – Zero to Hero event challenges!

STUART LOSES 9 STONE

Stuart has been coming to Nantwich Pool for a couple of years and when he first started to lose weight he was 24 stone 8lbs. He recently set himself a target to lose as much weight as he could in 6 months. By taking on the Everybody Challenge he has been able to lose an incredible 9 stone.

ED AN INSPIRATION TO MS SUFFERERS

Ed Weenski from Wilmslow has been a true inspiration not only to other MS sufferers but to anyone who has given all the excuses they could think of to avoid exercising.

Ed is in a wheelchair because he has primary progressive multiple sclerosis, primary progressive meaning it gets worse as he gets older affecting his lower body more than anything else. Going to the gym at Wilmslow Leisure Centre has turned his life around, helping him battle depression, get fit and keep his body strong.

Ed is now a member of the MS Society in Macclesfield regularly attending to inspire others, socialise and take part in the new activity hub.

ANDREW ASPIRE CHALLENGE

When Andrew was just a young boy he ran out in front of a car to fetch his football. Andrew suffered severe spinal cord injury's and has been in a wheelchair ever since. He took on the Aspire Channel Swim Challenge at Wilmslow Leisure Centre to raise funds for people with spinal cord injury. That's swimming 22 miles in 12 weeks at his local leisure centre pool!

JULIAN TAME RETURNS BACK TO WORK

Julian Tame, last year suffered a heart attack which meant he could no longer work. He desperately needed to get himself fit and healthy so he decided to take on the Everybody Challenge at Wilmslow Leisure Centre by joining the Active Hearts rehab group.

One year later and Julian is now not only back to work but cycling there too in all weather conditions!

LOCAL ATHLETES OLIVIA CORK & ROWAN CHESHIRE JOIN APA PROGRAMME

After losing her leg to bone cancer at 14, Olivia is now making great achievements in her swimming and competing at international level this year. Rowan Cheshire is a

British freestyle skier currently training to compete in the 2015 winter games. Both athletes are now part of the Athlete Performance Academy which is designed to support individuals who are training and competing in sport at regional, national and international level.

WALKING FOOTBALL A HIT!

Walking Football is proving to be ever-more popular at our sites including the Barony Sports Complex and Macclesfield Leisure Centre helping the over 50's get back into the game. A great way to socialise and keep active!

BILL JOHNSON WALKS AGAIN

In 2009 Bill had an accident, where a tree fell on his legs, taking two inches out of the top of his left leg; resulting in a major soft tissue injury to upper left leg and DVT to lower left leg, plus a damaged sciatic nerve to the right leg. He came in to Macclesfield Leisure Centre on two sticks and bent double, he could hardly walk. The fitness staff took the time to help Bill get fit and now in October 2014 he can walk without sticks, he can climb stairs and has lost 4 stone in weight!

PATRICIA CAN NOW HAVE A FAMILY LIFE

Joining Macclesfield Leisure Centre has opened up a new lease of life for Patricia, radio presenter at Canalside Radio. She always wanted to join the gym and used to peer through the doors, she had a fear of joining the gym.

After an illness she suffered a lot of problems and needed to do something to kick start back up again. She is now able to play with her 8 year old granddaughter which was her main goal!

WINNER LIFETIME MEMBERSHIP

Robert Evans from Alsager was crowned winner of the Everybody Challenge prize draw winning a lifetime membership with Everybody. Picked at random Robert is now utilising the gym and pool to train for his first triathlon at Nantwich on 31st May. He has even taken up adult swimming lessons to perfect his technique.

Trustees

Everybody Sport and Recreation is governed by a Board of up to eleven Trustees. These trustees are appointed by the current Board who take into account a skills matrix and ensure a range of skills and representation from all communities. This is achieved in one of three ways:-

- Any individual, based in or operating in Cheshire East is eligible for nomination to the board of trustees
- Trustees try to ensure ongoing appropriate skills and gender balance, where any gaps are noted they seek to appoint appropriate skills through an application process.
- Occasionally the trustees may co-opt individuals with relevant skills to strengthen the Board.

All of these appointments are then ratified by Trustees at the Annual Retirement Meeting.

The day to day management and running of the charity has been delegated to the Chief Executive and other appointed managers.

The senior management team comprises:

Peter Hartwell	<i>Chief Executive</i>
Paul Winrow	<i>Operations Director</i>
Kerry Shea	<i>Finance Director</i>
Tom Barton	<i>Head of Human Resources & Organisational Development</i>
Geoff Beadle	<i>Head of Leisure Development</i>
Jon Winkle	<i>Head of Marketing</i>



Andrew Kolker
Chair



Phil Bland
Finance & Risk
Sub Committee



Zoe Davidson
Finance & Risk
Sub Committee



Andy Farr
Customers &
Partners Sub
Committee



Gill Benning
Finance & Risk
Sub Committee



Christine Gibbons
Customers &
Partners
Sub Committee



Harry Korkou
Customers &
Partners
Sub Committee



Colin Chaytors
People &
Governance
Sub Committee



Martin Hardy
People &
Governance
Sub Committee



**Richard
Middlebrook**
Customers &
Partners
Sub Committee

Governance

Governing Document

Everybody Sport & Recreation is a company limited by guarantee and a registered charity governed by its memorandum and articles of association, incorporated in England and Wales.

Trustee Induction and Training

All trustees receive an induction into Everybody Sport and Recreation and receive a handbook. During the year the trustee handbook has been renewed to assist both new and established trustees. In addition we have embarked on a programme of development including a series of away days for trustees. These sessions focus on governance issues for trustees including finance, structure and strategic planning.

Board and Sub Committee's

Each Trustee holds a place on one of three sub-committees, People and Governance, Finance and Risk and Customers and Partners, these sub committees take a detailed look at certain areas of the business each quarter and then take reports regarding these areas to the full Board meeting, which takes place every three months.

Statement of Trustees Roles & Responsibilities

The trustees (who are also directors of Everybody Sport and Recreation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Public Benefit

The Trustees of Everybody Sport and Recreation have complied with their duty to have due regard to the guidance on Public Benefit published by the Charities Commission in exercising their powers and duties. All activities have been undertaken to further Everybody Sport and Recreation's purpose to ensure the promotion and preservation of good health, including but not limited to through community participation in healthy recreation. Activities are not arranged to provide any financial return to members.

Reserves Policy Statement

Reserves are the resources that a charity has, or can make available to spend, for all of the charity's purposes. The SORP explains that the term "reserves", it describes them as that part of a charity's funds that are freely available.

The Charity Commission guidance CC19 explains that Designated funds should be considered when considering the charity's reserves, although these are not part of the general reserves. Funds need to be properly designated for a defined purpose, which should be explained in the notes to the accounts.

The Trustees have reviewed the Trust's reserve policy and have concluded to aim to hold enough free reserves to ensure that the Trust is able to continue all operations and services for a period of at least 1 month should a significant part of our income not be realised.

While the operation of the defined benefit pension scheme does create a financial risk for the organization any deficit or surplus in the scheme can be managed over the medium term and so has no immediate impact on our cashflow requirements. Any Exit Contributions paid by the Contractor will be funded by Cheshire East Council through the Management Fee, where an Exit Contribution is paid and there is no future Annual Payment due, the Authority shall make an appropriate additional payment to Everybody. Any risks associated with changes in the level of pension scheme assets and liabilities are therefore disregarded for reserves policy purposes.

Risk Management

The Trustees are fully aware, and take very seriously their responsibility for identifying, assessing and managing the risks of Everybody Sport and Recreation. Risks are identified by the Senior Management Team and reported via the Risk Register to the Trustees.

There are several principle risks and uncertainties. The level of the management fee paid to Everybody Sport and Recreation by Cheshire East Council, this fee is negotiated every year and ongoing efficiencies are expected. IT system failure, the IT systems are large and complex with manual interfaces between systems, we have set up a designated fund in order to reduce the risks in this area.

The Risk Register is considered on a quarterly basis by the Finance and Risk Sub Committee, the likelihood of the risk occurring, the impact of such a risk and any mitigating action required/taken is considered and risks scored then RAG (Red, Amber, Green) rated.

Red/High Risks are reported to the full board. The subcommittee take a fully detailed review of every risk on the register on an annual basis.

Financial Review

Investment Powers, Policy and Performance

The policy of Everybody Sport and Recreation has been to invest surplus funds in the growth of the business. We aim to carry sufficient cash in the banks' current or higher interest deposit accounts to fund its predicted working capital requirement.

Surplus funds will be deposited in our Reserves Account or in a high interest fixed term bond. This meets the objective of a higher return than average deposit accounts, without risking the funds, while maintaining maximum flexibility to fund new projects. The trustees are mindful of the current low interest rate return on cash deposits and their potential to fall below inflation levels thereby eroding reserves.

Everybody Sport and Recreation's finances have shown a healthy return for an organisation in its first year, we have surpassed the budget by £109,840.

Our overall income figure is £12,630,995 which includes £2,900,000 for Donations for the use of the Leisure Centres, which remain under Cheshire East Council's ownership. £2,535,000 refers to income received from Cheshire East under our Operating Agreement, £6,588,605 income was received during the year from customers and £44,316 trading income was received from our social areas and £286,788 income was received from restricted sources.

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The Unrestricted activities for 2014/15 show an income of £12,344,207 with outgoing resources of £12,432,765 for the year, leaving us with a Net Unrestricted Expenditure of £88,558 for our first year. £2,602 was transferred to our restricted funds. This Expenditure involves a national pension service cost of £301,000, when this is taken out we are left with a net operating unrestricted income of £212,442 which is a positive position for our first year of trading.

Everybody Sport and Recreation's restricted funds received income within the year of £283,548 from funders plus £3,240 from individuals making a total restricted income of £286,788. Expenditure for the year was £289,390 leaving a slight deficit of £2,602 which was offset against unrestricted funds.

Of these Unrestricted Reserves of £209,840, £165,274 are designated for specific expenditure in line with Everybody Sport and Recreation Strategic Plan.

£1,204 is set aside for use on staff development and support, this amount relates to the monies earned from the Staff Membership Scheme.

£21,000 is designated for use in further developing our Training Academy by increasing participation in training, recruiting apprentices and establishing our external training offer.

£74,070 has been set aside to fund ongoing depreciation amounts for the Alsager Gym Refurbishment, Wilmslow Spinning Bikes and Shavington Equipment.

£30,000 is designated for new signage across our two largest sites, the signage is currently very dated in many sites and requires a complete overhaul. Most sites have minimal Everybody Sport and Recreation branding. To increase staff motivation and customer acceptance the signage is an important requirement.

£24,000 is held in reserve designated for the Knutsford Leisure Centre "Attic" refurbishment – this will upgrade a little used area into a fully functioning multi use studio. Research and experience suggests that Knutsford has demand for such a facility and that it will generate additional income going forward from such a facility, via both increased memberships and class fees.

£15,000 is designated for our systems upgrade. The finances are currently run on Oracle, this system is too complex, large and inflexible for managing Charity finances of an organisation of Everybody Sport and Recreations size. We wish to implement a more suitable system during 2015/16.

Funding Sources

Everybody Sport and Recreation's principle funding sources for 2014/15 were membership fees, swimming lesson income, general swimming, class fees and sports hall hire.

A significant proportion of our income came from our contract with Cheshire East Council; this contract refers to the operating of 15 leisure centres across the Cheshire East area. The contract is for 10 years with a possible 5 year extension built in, during 2014/15 this accounted for £2,535,000.

Everybody Sport and Recreation Annual Report and financial statements for the year ended 31 March 2015 have been prepared by the trustees in accordance with the Charities Act 2011.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and reporting by Charities" issued in 2015 in preparing the annual report and financial statements of the charity.

Related Parties, Partnership Working and Network

The Charity supports many Sports Clubs, Community Groups and Voluntary Organisations with advice around funding, volunteer management and best practice guidance. Everybody Sport and Recreation support of grassroots clubs benefits the wider community by opening up the opportunities for people to access sport and recreation activities.

Cheshire East Council are a significant partner and contributes to the delivery of sporting facilities in Cheshire East by providing funding to Everybody Sport and Recreation in the form of a Management Fee. This funding also supports the sports development work, by enabling children and adults to take part in sporting events out in the community.

Everybody Sport and Recreation participate in several key and strategic partnerships representing the interests of our customers, and the wider Sport and Recreation arena. At a national level Everybody Sport and Recreation is a member of "Sporta" (the national association of leisure and cultural trusts), UK Active and LFX (a network for professionals working in the UK fitness industry).

Strategic report

The principal activities of the company in the course of the year are referenced in the Aims and Objectives section of the Trustees Annual and Strategic Report.

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Since the end of the financial year Everybody Sport and Recreation has signed a 24 year lease on another facility, namely the Holmes Chapel Community Centre, which is owned by the Holmes Chapel Parish Council and will be operated and managed by Everybody. This facility is due to open on the 28th November 2015.

The future developments for Everybody Sport and Recreation are referred to in the Chief Executives Report and the Trustees Annual and Strategic Report.

Everybody Sport and Recreation has made no political donations or incurred any such expenditure during the financial year.

The Risk Management Statement is shown on page 23 of the Trustees Annual and Strategic Report. No hedge accounting is used by the company.

The leisure industry is not particularly price sensitive, people choose their provider on a number of different factors, price being one but also quality of offering, range of classes, location, customer service and breadth of facility (eg squash courts, swimming pools etc..). Cashflows are monitored weekly and as many of our customers pay in advance, cashflow, and therefore liquidity risk, is easily controlled.

Employee expenditure is the largest portion of cost for Everybody as we operate in a service industry arena, as such our employees are very important to the growth and development of our business. We have plans during 2015/16 to achieve our Investors in People accreditation, alongside the development of our training academy which will ensure that every employee is trained to the highest levels so that they may fulfil their roles safely and to exceptional standards.

At Everybody we encourage new applications from disabled persons into both paid employment and volunteer roles, we have a robust equal opportunities policy, and all managers within Everybody are trained in following and embedding this policy not only for new employees but also for current employees that may become disabled during their current service with us. We have a budget for equipment adaptations and additional training that may be required for staff that become disabled to allow them to continue in their current role. Should continuing in their current role no longer be viable then solid alternative internal positions will be sought, following consultation with the individual involved and looking at each person's individual circumstances. At Everybody one of our strategic aims is to "Develop our people to be the best" and we strive to achieve that with all employees regardless of disability.

We provide employees with information on matters of concern to them as employees, in a number of ways.

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Firstly, on an individual basis, all employees attend monthly team meetings with their line manager, have a bi-annual Performance Development Review where they are encouraged to make suggestions for their development (for example request further training or mentoring etc), and regular 1-2-1's with line managers.

Secondly as a whole organisation we have a monthly staff newsletter that is provided to every employee and all employees are encouraged to suggest content, we also hold six-monthly staff presentations to which all employees are invited and involves presentations by the chief executive and Senior Management Teams followed by an open Question and Answer session to which all staff are encouraged to contribute.

To ensure that employees have representation we have established a "Developing Everybody Group" that is made up from representatives from all areas of the business at all levels. This group comes up with ideas, initiatives and holds its own budget to be spent with the remit of 'all employees benefit'.

To encourage the involvement of employees in the company's performance we have implemented a Sharing in Success Scheme, this enables employees to all receive a payment should the company make a surplus.

As a new Charity to ensure that all employees understand the financial and economic factors affecting the performance the finance director delivered presentations at the staff briefings to explain commercial awareness, the need for building reserve, the difference between cost and value, economic factors that could affect our performance and the cost to income ratio of Everybody Sport and Recreation.

The Directors at this time can confirm:

- a) so far as the Director is aware, there is no relevant audit information of which the company's Auditor is unaware, and
- b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the company's Auditor is aware of that information.

This report, which incorporates the Strategic Report, was approved by the Trustees on 16th December 2015 and signed on their behalf by Andrew Kolker.



Andrew Kolker - Chair

Date: 16th December 2015

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF EVERYBODY
SPORT AND RECREATION FOR THE YEAR ENDED 31 MARCH 2015
(REGISTRATION No 08685939)**

We have audited the financial statements of Everybody Sport & Recreation for the year ended 31 March 2015 which comprise the Statement of Financial Activities, Balance Sheet and the related notes numbered 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As explained more fully in the Trustee's Responsibilities Statement set out on page 21, the directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;

Everybody Sport & Recreation (Registered Company Number 08685939)
Trustees' Report & Financial Statements for the Year Ended 31st March 2015

- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic report and the Trustees' Annual Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. In addition, we read all the financial and non-financial information in the Strategic report, Trustees' Annual Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Signature.....*Vicky Szulist*.....
Vicky Szulist (Senior Statutory Auditor)

Date: *22nd December 2015*

For and on behalf of:

Crowe Clark Whitehill

Statutory Auditor

Chartered Accountants

The Lexicon,

Mount Street,

Manchester

M2 5NT

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Statement of Financial Activities period ended 31st March 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 1/5/14- 31/3/15 £	Total 11/9/13- 30/4/14 £
Income:					
Donations and Legacies	2	2,966,241	-	2,966,241	-
Charitable Activities	3	6,588,605	3,240	6,591,845	-
Other Trading Activities	4	44,316	-	44,316	-
Grants & Contracts	5	2,745,045	283,548	3,028,593	-
Total Income		12,344,207	286,788	12,630,995	-
Expenditure on Charitable Activities					
Other Trading Activities	6	47,994	-	47,994	-
Charitable Activities	7	12,384,771	289,390	12,674,161	-
Total Expenditure		12,432,765	289,390	12,722,155	-
Net Income (Expenditure)					
Transfers Between Funds		(88,558)	(2,602)	(91,160)	-
		(2,602)	2,602	-	-
Other Recognised Gains / (Losses)					
Pension Deficit at Transfer		(2,456,000)	-	(2,456,000)	-
Actuarial Gains / (Losses) on Defined Benefit Pension Schemes		(1,685,000)	-	(1,685,000)	-
		(4,141,000)	-	(4,141,000)	-
Total funds / (losses) carried forward		(4,232,160)	=	(4,232,160)	-

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

Everybody Sport & Recreation (Registered Company Number 08685939)
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BALANCE SHEET AS AT 31 March 2015		31 March 2015	30 April 2014
		£	£
Fixed Assets:			
Tangible Fixed Assets	11	74,070	-
Total Fixed Assets		74,070	-
Current Assets:			
Stocks		64,379	-
Debtors	12	452,852	-
Cash at bank and in hand		1,035,296	-
Total Current Assets		1,552,527	-
Liabilities:			
Creditors: amounts due within one year	13	(1,416,757)	-
Net Current Assets/(Liabilities)		135,770	-
Total Assets Less Current Liabilities		209,840	-
Provisions for Liabilities		-	-
Net Asset or Liabilities excluding pension Asset or Liability		209,840	-
Defined Benefit Pension Scheme Asset or Liability		(4,442,000)	-
Total Net Assets or Liabilities		(4,232,160)	-
Funds of the Charity:			
Unrestricted General Funds	14	44,566	-
Unrestricted Designated Funds	14	165,274	-
Pension Reserve		(4,442,000)	-
Total Funds		(4,232,160)	-

These Financial Statements were approved and authorised for issue by the Board on

16th December 2015 and signed on their behalf by



Andrew Kolker

Everybody Sport & Recreation (Registered Company Number 08685939)
Trustees' Report & Financial Statements for the Year Ended 31st March 2015

CASHFLOW POSITION FOR PERIOD END 31st March 2015

01 May 2014 – 31 March 2015		Table
	Total funds	
	£	
Cash Flows from operating activities		
Net cash (outflow)/inflow from operating activities	1,127,884	1
Capital Expenditure	(92,588)	2
Financing	-	
Increase/(Decrease) in cash in period	1,035,296	2
Reconciliation of net cash flow to movement in net debt		3
Decrease in cash in the period	1,035,296	
Change in net debt resulting from cashflows		1,035,296
Movement in net debt in the period		1,035,296
Net Debt at 31 st March 2015		-

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Table 1

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	209,840	-
Adjustments for:		
Depreciation charges	18,518	-
Dividends interest and rents from investments	-	-
Loss / (profit) on sale of fixed assets	-	-
(Increase)/decrease in stocks	(64,379)	-
(Increase)/decrease in debtors	(452,852)	-
Increase/(decrease) in creditors	(1,416,757)	-
Net cash provided by (used in) operating activities	1,127,884	-

Table 2

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
	£	£
Cash in hand	1,035,296	-
Notice deposits (less than 30 days)	-	-
Overdraft facility repayable on demand	-	-
Total cash & cash equivalents	1,035,296	-

Table 3

	01-May-14	Cash flows	31-Mar-15
Cash in hand at bank	-	1,035,296	1,035,296
	-	1,035,296	1,035,296

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 Basis of Preparation

The Accounts cover the 11 month period ended 31st March 2015, the comparatives refer to the dormant period 11th September 2013 to 30th April 2014. The financial statements are prepared under Companies Act 2006, and in accordance with the Financial Reporting Standard 102 (FRS 102) and follow the recommendations in 'Accounting and Reporting by Charities: Statement of Recommended Practice' issued in 2015 (SORP 2015). The Trust meets the definition of a public benefit entity. The charity has adopted FRS 102 and SORP 2015 earlier than the required date.

1.2 Going Concern

The Trustees have considered the financial position of the Trust, the levels of free reserves and the 2015/2016 budget, as a consequence, the Trustees believe that the charity is well-placed to manage its business risks successfully through these uncertain times.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of preparation in the financial statements.

Whilst the pension liability exceeds the net assets of the Trust, this should not be interpreted as creating a state of insolvency. The liability does not result in an immediate cash commitment and the liability is not expected to crystallise in the foreseeable future. Cheshire East Council provide a guarantee, in relation to all eligible employees, in respect of the Trusts pension obligations.

In the event of the company winding up the Trustees may resolve that any net assets of the Charity after all its debts and liabilities have been paid, be applied or transferred either directly for the objects of the Charity, or to any institution which is or are regarded as charitable for purposes similar to the objects of the Charity or for use for particular purposes that fall within the objects of the Charity. In no circumstances shall the net assets of the Charity be paid to or distributed among the members of the Charity under this Article 41.

1.3 Incoming resources

Income is credited to the Statement of Financial Activities in the period in which it is receivable. The income and expenditure account is presented in the form considered most appropriate to the current activities of the charity.

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Donations and Legacies includes an amount equal to a notional rental expenditure for the use of Cheshire East Council facilities.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Included within the Grants and Contracts figure on the face of the accounts is the management fee paid to Everybody by Cheshire East Council.

Charitable Activities Income is where the majority of our income sits, this includes memberships, class bookings, health programmes, swimming lessons.

Trading income refers to income generated for the bar operations in four of our sites.

Income from investments is included in the year in which it is receivable.

In addition to the income disclosed in the financial statements Everybody Sport and Recreation also receives help and support in the form of voluntary assistance. This help and support is not included in the financial statements. This voluntary assistance is very much appreciated.

1.4 Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund together with a fair allocation of management and support costs.

1.5 Stock accounting

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete items.

1.6 Resources expended

Resources expended are recognised in the year in which they are incurred.

Direct charitable expenditure is identified as cost incurred directly as a result of running the operations and projects directly aligned with our Charitable Aims.

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Trading Activity Costs are those incurred in connection with trading activities of the Trust.

Resources expended are allocated to the particular activity where the cost relates to the activity. However, management, administration and finance staff costs are apportioned on the basis of time spent on each activity.

1.7 Tangible fixed assets and depreciation

Fixed assets over the value of £5,000 are capitalised with all assets valued at historic cost.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Property	50 years	2%
Gym/Studio Equipment	5 years	20%
Furniture	4 years	25%
Swimming Equipment	3 years	33.3%
Computers/IT	3 years	33.3%
Electrical Equipment	3 years	33.3%

1.8 Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

1.9 Deferred income

Amounts held as deferred income refer to funds received in the reporting period but specifically held for use in the following financial year due to funds being restricted for use in a future period.

1.10 Pensions

The Trust participates in the Local Government Pension Scheme (LPGS), with Cheshire East Council operating as the Administering Authority. The LPGS is a defined benefit scheme. The schemes assets are held separately from the assets of the Trust and are administered by trustees and managed professionally.

Pension scheme assets are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained annually and updated at each Balance Sheet date.

A liability is recognised in the Balance Sheet in respect of the scheme which represents the present value of the defined benefit obligation at the balance sheet date less the fair value of the scheme assets. A full valuation of the liability is calculated by an independent actuary every three years using the projected units method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have the terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses are recognised in the Statement of Financial Activities in the year that they arise. Where changes to the Scheme have resulted in past service costs, these are recognised immediately in the Statement of Financial Activities.

Liabilities for the pension scheme are held by Cheshire East Council, and are covered in the Operating Contract (section 19.0) which states that "To ensure that the Administering Authority does not require the Contractor to put in place any indemnity or bond in respect of the Eligible Employees, the Authority will provide the Administering Authority with a guarantee in a form acceptable to the Administering Authority and the Contractor in respect of the Contractor's obligations to the Administering Authority in respect of Eligible Employees".

Everybody Sport and Recreation is showing an Operating Surplus prior to the Pension Service Costs (£301,000) as shown in note 1.11 below. The Service Costs and Pension Movements that we are required to show in our accounts under FRS 102 rules include changes in actuarial assumptions and other adjustments that do not impact on the operational cashflow of the charity.

Everybody Sport & Recreation (Registered Company Number 08685939)
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1.11 Operating Surplus (with Pension Costs Removed)

	Notes	Unrestricted Funds £	Restricted Funds £	01/05/14 31/03/15 £	11/09/13 30/04/14 £
<u>Income:</u>					
Donations and Legacies	2	2,966,241	-	2,966,241	-
Charitable Activities	3	6,588,605	3,240	6,591,845	-
Other Trading Activities	4	44,316	-	44,316	-
Grants & Contracts	5	2,745,045	283,548	3,028,593	-
Total Income		12,344,207	286,788	12,630,995	-
<u>Expenditure on Charitable Activities</u>					
Other Trading Activities	6	47,994	-	47,994	-
Charitable Activities	7	12,083,771	289,390	12,373,161	-
Total Expenditure		12,131,765	289,390	12,421,155	-
Net Income (Expenditure)		212,442	(2,602)	209,840	-
Transfers Between Funds		(2,602)	2,602	-	-
Operating Surplus / (Deficit)		<u>209,840</u>	=	<u>209,840</u>	=
Funds of the Charity:					
Unrestricted Funds	14	44,566			
Designated Funds	14	165,274			
Total Funds		<u>209,840</u>			

During the contract negotiations it was agreed with Cheshire East Council, that they would indemnify the Pension Liability for all Everybody Sport and Recreation, current and new staff, for as long as the scheme remains open.

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2. Donations and Legacies

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
Cash Floats transferred from Cheshire East Council.	6,180	-
Resale Stock transferred from Cheshire East Council.	59,631	-
Marketing Events.	430	-
Use of Buildings Owned by Cheshire East Council.	2,900,000	-
Total Income	2,966,241	-

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3. Charitable Activities

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
	£	£
Income from Leisure Facilities & Other Sources:		
Alsager LC	455,758	-
Barony Park Sports	121,858	-
Congleton LC	475,015	-
Crewe Pool	500,818	-
Holmes Chapel LC	112,803	-
Knutsford LC	536,456	-
Macclesfield LC	1,105,965	-
Middlewich LC	150,737	-
Nantwich Pool	768,186	-
Poynton LC	321,484	-
Sandbach LC	462,071	-
Shavington LC	401,319	-
Sir William Stanier LC	87,366	-
Victoria Community Centre	198,703	-
Wilmslow LC	691,994	-
Cumberland Arena	51,415	-
Other Sources	149,897	-
Total Income	6,591,845	

Everybody Sport & Recreation (Registered Company Number 08685939)
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4. Other Trading Activities

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
	£	£
Bar Income	44,316	-
Total Income	44,316	-

5. Grants & Contracts

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
	£	£
CEC Management Fee	2,535,000	-
Streetsports	124,840	-
Cycling Project Delivery	234,507	-
Other Sources	134,246	-
Total Income	3,028,593	-

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6. Other Trading Activities

	01 May 2014 – 31 March 2015	11 Sept 2013 - 30 April 2014
	£	£
Staff Costs	23,236	-
Bar Purchases	24,758	-
Total Income	47,994	-

7. Charitable Activities (continued)

	£	Activity Costs	£	Salary, NI & Pensions	£	Pension Service Cost	£	Staff Expenses, incl Training, Transport & Uniforms	£	Premises Costs	£	Office & IT Overheads	£	Transport - Other	£	Depreciation	£	Unrecoverable VAT	£	Support & Marketing Costs	£	Governance Costs	£	Total 01/0514 - 31/03/15	£	Total 11/09/13 - 30/04/14	£	
Victoria Comm Centre	40,168		217,908	10,804	2,078	63,500	3,134	95	-	6,671	58,740	648	403,746															
Wilmslow LC Cumberland Arena	100,219		671,507	33,293	7,250	470,000	5,666	631	3,502	25,689	226,199	2,496	1,546,452															
Partnership & Leisure Dev	10,202		40,171	1,992	-	-	574	1,811	-	1,077	9,480	105	65,412															
Restricted Funds	54,955		354,010	17,552	25,491	-	2,627	-	-	8,920	78,543	867	542,965															
	189,099		61,879	3,067	7,458	-	-	476	-	-	46,526	513	309,018															
Total	1,179,701		6,071,026	301,000	69,509	2,900,000	54,880	3,816	18,518	204,869	1,850,426	20,416	12,674,161															

Everybody Sport & Recreation (Registered Company Number 08685939)
Trustees' Report & Financial Statements for the Year Ended 31st March 2015

8. Support and Governance Costs

	Management & Support Services	Governance Costs	01/05/14 - 31/03/15	11/09/13 - 30/04/14
	£	£	Total	Total
			£	£
Activity Costs	758,438	-	758,438	-
Salary, NI & Pensions	704,839	-	704,839	-
Staff Expenses, incl Training, Transport & Uniforms	69,974	-	69,974	-
Premises Costs	151,524	-	151,524	-
Office & IT Overheads	165,467	20,322	185,789	-
Transport - Other	183	94	277	-
Total	1,850,425	20,416	1,870,841	

9. Analysis of Staff Costs, Auditor Costs & Trustee Remuneration and Expenses

The aggregate payroll costs were:	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
Salaries	4,933,066	-
Social Security Costs	1,096,895	-
Pension Costs	769,140	-
Total	6,799,101	-

Included within the costs identified above, the following table details the number of whose total employee benefits (excluding employer pension costs) exceeded £60,000.

Total Employee Benefits £	No of Employees
70,000 - 79,999	1

As part of a management restructure, redundancy payments were incurred and identified within the expenditure included within Charitable Activities. These totalled £95,905. Governance costs include Auditor Fees totalling £14,000.

The Charity Trustees receive no remuneration for their services. Two Trustees had their mileage costs reimbursed by the Charity, totalling £93.

10. Staff Numbers

The average number of staff employed during this financial year is detailed below. In addition, the average number of equivalent full time staff is also detailed. Casual staff have been excluded from this table.

	01 May 2014 – 31/03/2015		
	No.	FTE	
Leisure Facilities	441	178	(441 Staff filling 628 posts)
Leisure Development	17	14	(17 Staff filling 18 posts)
Support Services and Marketing	20	18	(20 Staff filling 20 posts)
Total	478	210	

Many of Everybody's dedicated staff team work in more than one job role

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11. Tangible Fixed Assets

	2015 £ Gym Equipment
<u>Cost:</u>	
As at 1st May 2014	-
Additions	92,588
As at 31st March 2015	<u>92,588</u>
<u>Depreciation:</u>	
As at 1st May 2014	-
Charge for the Year	18,518
As at 31st March 2015	<u>18,518</u>
<u>Net Book Value</u>	
As at 1st May 2014	-
As at 31st March 2015	<u>74,070</u>

12. Debtors

	31 March 2015 £	30 April 2014 £
Trade Debtors	300,763	-
Prepayments and Accrued Income	152,089	-
As at 31st March 2015	<u>452,852</u>	-

Everybody Sport & Recreation (Registered Company Number 08685939)
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13. Creditors

	31 March 2015	30 April 2014
	£	£
Accruals for Grants Payable	-	-
Bank Loans and Overdrafts	-	-
Trade Creditors	479,231	-
Accruals and Deferred Income	755,116	-
Taxation and Social Security	182,410	-
Other Creditors	-	-
As at 31 st March 2015	1,416,757	-

Deferred Income

	31 March 2015	30 April 2014
	£	£
Resources deferred in the year	235,129	-
Deferred income at 31 st March 2015	235,129	-

Deferred income at 31st March 2015 consists of :

Smarter Ways to Travel	9,144
Disability Courses	1,750
CEC Funding for 2015-16 Programme	2,025
Annual Memberships	83,977
Facility Bookings	13,304
Learn To Swim Scheme re 12 wks course	26,985
Aiming High Funding	63,511
Memberships Income received in March	34,433
Total	235,129

14. Analysis of Charitable Funds

Analysis of Unrestricted and Designated funds.

	Balance at 1 May 14	Incoming	Outgoing	Gains	Transfers	Balance at 31 Mar 15
	£	£	£	£	£	£
Unrestricted Funds						
General Fund	-	2,344,207	(12,131,765)	-	(167,876)	44,566
Pension Reserve	-	-	(12,757,000)	(1,685,000)	-	(4,442,000)
Designated Funds						
Staff Membership Scheme	-	-	-	-	1,204	1,204
Depreciation Reserve	-	-	-	-	74,070	74,070
Training Academy	-	-	-	-	21,000	21,000
Signage	-	-	-	-	30,000	30,000
Knutsford Attic	-	-	-	-	24,000	24,000
Systems Upgrade	-	-	-	-	15,000	15,000
Total Designated Funds	-	-	-	-	165,274	165,274

Staff Membership Scheme

£1,204 is set aside from the staff membership scheme income to be used for staff activities, development and benefits during 2015/16.

Depreciation Reserve

An amount has been set aside to fund ongoing depreciation amounts for the new fitness Equipment at Alsager, Wilmslow Spinning Bikes and Shavington equipment over the useful life of the equipment which is another four years.

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Training Academy

£21,000 has been designated for the development of our Training Academy for increasing participation in training, recruiting apprentices and establishing our external training offer. This fund is expected to be spent during 2015/16.

Signage

The signage is very dated in the majority of our sites and requires a complete overhaul. Most sites have minimal Everybody Sport and Recreation branding. To increase staff motivation and customer acceptance the signage is an important element of encouraging our cultural change. Therefore £30,000 has been designated for new signage across our two largest sites, Wilmslow and Macclesfield. This fund will be at nil by the end of 2015/16.

Knutsford Attic

£24,000 is held in reserve designated for the Knutsford Leisure Centre "Attic" refurbishment to upgrade a little used area into a fully functioning multi use studio. Research and experience suggests that Knutsford has demand for such a facility and that it will generate additional income going forward from such a facility, via both increased memberships and class fees. The work on the Attic will be complete during financial year 2015/16.

Business System Upgrade

£15,000 is designated for our systems upgrade. The finances are currently run on Oracle, this system is too complex, large and inflexible for managing Charity finances of an organisation of Everybody Sport and Recreation size. We are aiming to implement a more suitable system during 2016/17.

Analysis of Restricted Fund Movement

	Balance a 1 May 14	Incoming	Outgoing	Gains	Transfers	Balance at 31 Mar 15
	£	£	£	£	£	£
Aiming High	-	52,239	(52,239)	-	-	-
Bikeability	-	234,549	(237,151)	-	2,602	-
Total Restricted Funds	-	286,788	(289,390)	-	2,602	-

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Aiming High

Provides out of school provision for young people, who because of their specific care needs, find accessing universal and inclusive provision difficult.

Bikeability

Providing cycling proficiency training to school children across the Cheshire East area.

15. Related Party Transactions

The charity has a close working relationship with Cheshire East Council. The Council nominate two of the eleven trustees. These two nominated trustees have equal voting rights with the other trustees.

The following is a summary of transactions with the entity:

	01 May 2014 – 31 March 2015 £
Donations & Legacies	2,965,811
Grants and Contracts	2,535,000
Charitable Expenditure	3,583,241

The above donation income includes an amount calculated at £2,900,000 for use of the council owned facilities at a nil rental, a corresponding equal amount is shown in Charitable expenditure. The Grants income refers to an amount received from Cheshire East Council for the management of their leisure operation. An amount of £617,000 is shown in expenditure for the purchase of back office and IT support provided by the Council on behalf of Everybody Sport and Recreation.

Cheshire East Council have indemnified Everybody Sport and Recreation's pension liability (refer to note 1.10), this liability is currently values at £4,442,000 as at 31st March 2015. The projected amount to be charged to the Operating Profit on the 31st March 2016 is expected to be at £1,251,000.

The charity trustees received a total of £93 in reimbursement of travel expenditure during the year. The trustees received no emoluments or payment for professional or other services.

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As at 31st March 2015 :-

Amounts due to Cheshire East Council £157,781

Amounts due from Cheshire East Council £161,097

16. Reconciliation of net cash flow movement to movement in net funds

	01 May 2014 – 31 March 2015	11 Sept 2013 – 30 April 2014
	£	£
Increase in cash in the period	1,035,296	-
Net cash outflow in respect of finance leases	-	-
Cash used to increase / (decrease) liquid resources	-	-
Change in net funds	1,035,296	-
Net funds at at 1st May 2014	-	-
Net funds as at 31st March 2015	1,035,296	-

17. Defined Benefit Pension Scheme

The charity operates a defined benefit scheme which is open to all employees. The scheme is part of the LGPS "Everybody" has its own assets held within the wider fund. An actuarial evaluation was carried out as at 31st March 2015 using the following assumptions: The fund is administered by independent trustees who are responsible for ensuring it is funded to meet current and future obligations, The agreed contribution rates for future years are 14.5% for employers and between 5.5% and 8.2% , depending on pay for employees.

Contributions amounting to £69,235 were payable to the Scheme at 31 March 2015 and are included within creditors.

Everybody Sport & Recreation expects to contribute £653,000 to its defined benefit pension scheme in 2016.

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Pension Commitments

	2015	2014
Rate of increase in salaries	3.40%	3.70%
Rate of increase in pensions payment	2.50%	2.80%
Discount rate	3.30%	4.20%
Inflation assumption	2.50%	2.70%
Expected return on assets	3.30%	5.90%
Commutation of Pensions to Lump Sums		
Pre April 2008 service		
Post April 2008 service		
	50%	
	75%	
Assumptions include an allowance that there will be future improvements in mortality rates		
Mortality assumptions		
life expectancy at 65		
	Males	Females
Current pensioners	22.3years	24.4 years
Future pensioners	24.1years	26.7 years

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus / (deficit), as recognised in the SOFA are:

	2015		2014	
	Long term rate of return expected	Value	Long term rate of return expected	Value
	%	£	%	£
Equities	3	7,591,000	7	6,236,000
Bonds	3	1,898,000	3	1,559,000
Property	3	843,000	5	693,000
Cash	3	211,000	4	173,000
Total market value of assets		10,543,000		8,661,000
Present value of scheme liabilities		(14,985,000)		(11,117,000)
Net pension liability		(4,442,000)		(2,456,000)

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An analysis of the movements in the surplus / (deficit) during the year is shown below:

	2015 £
Pension deficit at transfer	(2,456,000)
Total operating charge	(829,000)
Total interest income / (expense)	36,000
Actuarial income recognised in the statement of total recognised gains and losses	(1,685,000)
Employers Contributions	492,000
As at 31st March 2015	(4,442,000)
An analysis of the defined benefit cost follows:	
	2015 £
Current service cost	(829,000)
Total operating charge	(829,000)
Analysis of the amount credited to finance income:	
	2015 £
Other finance costs: expected return on assets in scheme	482,000
Other finance costs: interest costs	(446,000)
	36,000
Actuarial income recognised in the Statement of Total Recognised Gains and Losses (STRGL)	
Actuarial gains / (losses)	(1,685,000)
Increase / (decrease) in irrecoverable surplus from membership fall & other factors	
Actuarial gains / (losses) recognised in the STRGL	(1,685,000)
	(1,685,000)

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18. Operating Leases

Facilities Years	Within 1 Year	2- 5 Years	Over 5
Wilmslow	-	6,668	-
Nantwich Pool	-	49,103	-
Macclesfield	-	7,002	-
Wilmslow	-	5,040	-
Congleton	-	5,040	-
Crewe Pool	-	5,040	-
Shavington	-	10,494	-
Knutsford	-	2,746	-
	-	91,133	-

Operating Leases are disclosed in bandings, showing when the payments are due, totalling the minimum lease payment due over the lease term.

19. Control Relationship

The charity is controlled by the Trustees.

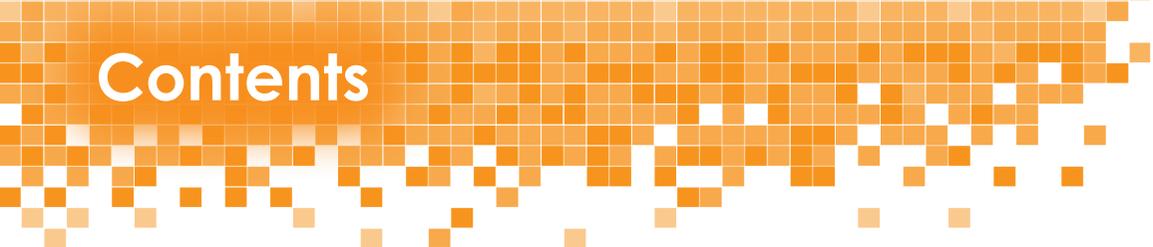
BUSINESS PLAN 2014/17



providing
'Leisure for Life'

Registered Charity Number: 1156084

'helping people to live well and for longer'



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Introduction

Welcome to the first business plan for our new sport and recreation charity providing leisure services for the Cheshire East area

The purpose of this business plan is to communicate our long term vision and strategic aims, together with the organisational values we hold dear and our key priorities for service delivery over the next three years.

Everybody is a brand new charitable trust which already has a pedigree of success and public service, inherent in our staff, in delivering leisure opportunities to local people.

As we change from being a Council-run service into an independent charity for the public benefit, this legacy gives us a great foundation of skills, expertise and experience on which to build.

Everybody Sport & Recreation is determined to improve services still further and grasp this once-in-a-lifetime opportunity to build a new company geared to help people live well and for longer.

Our over-riding purpose is to provide 'leisure for life'. Of course we will strive to provide a better quality of life and a longer life for everyone, but crucially, we are also seeking to make participation in leisure a habit for a lifetime too.

If we can help achieve that longer-term ambition, alongside our communities and partners, we can be proud to say that we have helped change lives through the power of, and participation in, active recreation.



Andrew Kolker

Chairman (on behalf of the Board
of Trustees)



Peter Hartwell
Chief Executive

Our Vision & Strategic Aims

At Everybody, we don't just believe in getting more people, more active, more often – that goes without saying! In order to make a real impact on the health and social issues affecting our communities, we need to target our efforts and our service offer. Only in this way can we make participation in leisure and recreation an important part of everybody's day to day lives, whatever their ability or need.

Our simple vision of providing 'Leisure for Life' seeks to make participation in any recreational activity an enduring habit from the earliest years to later life, helping people to live well and for longer.

To guide what we do, we have developed five strategic aims, all of which will help us achieve more and be the best we can be.

1
**Grow an
ethical and
sustainable
business**

2
**Provide a
great customer
experience**

3
**Develop our
people to be
the best**

4
**Build strong
communities
and effective
partnerships**

5
**Change
lives through
healthy
recreation**

1. Grow an ethical and sustainable business

The 'Everybody' brand is already well established across the Borough in all 15 leisure centres. We will develop this further by introducing a range of new initiatives or sub-brands to meet customer needs and improve our service offer to the public and our partners.

Over the first year of operation we will ensure the Trust has a sound financial base from which to expand the business and take advantage of new service opportunities, external funding and grant streams in future years.

We will seek, in all of our activities, to be an ethical organisation recognising our role as good stewards of the resources for which we are responsible.

Strong financial management, clear delegations and robust policies on areas such as pricing, investment and reserves will be key to our success, ensuring the Trust is ready to grow the core business and take on new activities in conjunction with our strategic partners where it makes sense to do so.

We will demonstrate our ability to improve services quickly and as a result, be well placed to expand the scope of our offer to managing other complementary leisure and recreation services such as Countryside, Playing Pitches and Parks & Open Spaces.

In addition, we will work closely with Cheshire East Council to maximise the social and financial return on the planned investment in Crewe Lifestyle Centre as well as the future proposals for a new leisure centre in Congleton and the major refurbishment of Macclesfield over the next 3-4 years.



Crewe Lifestyle Centre Artists Impression

2. Provide a great customer experience

All of our funding, whether directly from users or indirectly via the Council's management fee, comes from our residents. At the same time we know from recent surveys that, in spite of the Council's efforts, only around a quarter of Cheshire East residents use their local centre or are regularly active.

More than ever before, Everybody will need to design and deliver services with the growing needs and expectations of customers and non-users in mind. We need to understand our communities better and tailor our offer to match their requirements. It is vital we understand the existing barriers to involvement in leisure activities for individuals and communities, so that we can create the necessary conditions to actively drive increasing participation at every level and at every stage of life.

We will maintain and improve our leisure industry quality accreditation scores (QUEST) for all that we do in our centres and in our communities. We will develop greater choice and improved opportunities for everyone to access and adopt healthier lifestyles.

Our most recent customer survey showed satisfaction to be at 96% overall which is a great start for Everybody. Planned improvements to our booking system, including on-line access and self-service kiosks in the centres, will modernise our relationship with our customers and help us develop a better offer for the future.

We will develop a new comprehensive Customer Charter, geared to ensure residents value the services we offer, staff are focussed on providing a great experience and are trained to a high level of customer service and care.



“We will develop greater choice and improved opportunities for everyone to access and adopt healthier lifestyles”

3. Develop our people to be the best

If we are to provide the best services we can for our customers and communities, we must ensure all our staff have and are able to apply the necessary skills, expertise and behaviours to help them succeed.

Staff development is crucial if we are to empower them to take responsibility and act in the interests of the company and the customer. We will help staff work with new freedoms and flexibilities and in a culture that rewards innovation and creativity whilst managing risks.

We will carry out an initial skills audit to capture the breadth and depth of our existing capacity and ensure we make full use of this potential quickly. We will also put in place an employee development programme across the whole organisation to drive the required cultural change and support staff to operate effectively in their new charitable business environment.

Everybody will support vocational training and build an apprenticeship programme, investing in the future of our business and providing career opportunities and room to grow.

We will ensure the health, safety and welfare of all our employees, customers and volunteers in accordance with our legal obligations and deliver comprehensive training on the new Health & Safety policy and procedures to ensure safety is at the forefront of all that we do.

Everybody has developed a new set of organisational values (see later) and these will be set at the heart of our training and development activity, ensuring practical skills and essential knowledge is complemented by our behaviours to each other, to our communities and partners and, most importantly of all, our customers.

Communication will be key to building the new team ethos and we will provide forums and structures for this throughout the company so that employees and customers at all levels are properly informed and can effectively contribute to our business and plans.



“Everybody will support vocational training and build an apprenticeship programme”

4. Build strong communities and effective partnerships

We recognise that we can have far greater impact on our outcomes when we work closely with partners who share a common purpose. We all face the challenges of limited and sometimes diminishing resources which are often under pressure from competing priorities. However, together we can achieve more when joined up thinking is turned into shared delivery and collaboration.

To achieve this, Everybody Sport and Recreation will review its current partnership arrangements and seek to develop a number of strategic alliances with key partners including Cheshire East Council, NHS and Clinical Commissioning Groups & GP's, Sport England, StreetGames, Housing Associations and local Schools.

In addition, we will continue to work with other agencies to develop new, or strengthen existing, operational relationships that help enhance our capacity to deliver, including Cheshire Constabulary, Cheshire Fire & Rescue Services, local community groups, the voluntary sector, the wider education sector, Sports Governing Bodies and Town & Parish Councils.

We will exploit all opportunities to connect to Local, National and International Campaigns and Events. In particular, the UK is in an unprecedented 'decade of sport' during which world class events will be staged in Britain and we anticipate being involved where these events are in our area. We will also actively seek to bring national and international events, athletes and programmes to our area. We have seen the 2012 Olympic legacy take hold locally and future events bring with them further fantastic opportunities to get more people involved in sport and recreation, at all levels and across all communities. These events include;

2014 Commonwealth Games (Queen's Baton Relay 31/5/14)
2015 Rugby Union World Cup
2019 Cricket World Cup.

Our facilities are an essential part of the communities they serve, with almost 3 million visits per annum by local people. Our joint-use centres in particular have a key role within their areas, bringing together the school and the wider community centred on a shared experience of participating in sport and recreation.

Everybody will seek to work with all local schools, community groups and local Councillors to build on this relationship and ensure all our centres operate at the heart of their community, delivering against local needs.

Through our leisure development work we will support local clubs and help develop a comprehensive network of coaches and volunteers to sustain and grow sport, play and active recreation opportunities within all communities.

In addition, we will directly deliver local programmes and activities such as Street Sports & Street Play and Activ8 in targeted neighbourhoods and with specific user groups based on need and customer preference.

"We will exploit all opportunities to connect to Local, National and International Campaigns and Events"

5. Change lives through healthy recreation

We have all seen how the power of sport and recreation can transform lives, whether this is through actively taking part or simply supporting others to get involved as a coach, volunteer, parent, teacher or friend.

Leisure, sport & recreation builds confidence and self-esteem, develops life skills, strengthens community spirit, improves health & wellbeing, promotes social skills, reduces offending, helps with employment prospects, raises educational standards and inspires everyone to reach their full potential.

No other service is capable of achieving so many positive and sustainable impacts on such a wide-range of social outcomes.

Whilst all this seems to be self-evident, common-sense even, to those involved in leisure every day, Everybody will need to play a leading role in promoting and demonstrating the effectiveness of investment in our services. We will need to reassure service commissioners from client organisations tackling issues such as public health, community safety, economic regeneration and community development that every £ spent getting people active represents excellent value-for-money and delivers real benefits for individuals, communities and society.

Sport & recreation brings people together from all walks of life, of all abilities and across all generations. It is a powerful force for good that we need to harness and deploy to change all our lives for the better.



“Sport & recreation brings people together from all walks of life, of all abilities and across all generations”

Our Values

Fit For The Future

We will give everyone the opportunity to train and enhance their skills by encouraging people to develop themselves and others. Creating and promoting 'careers in leisure'.

Working As One

We will all work to the common goal of providing "Leisure for Life" and support each other in all we do.

Trusted And Honest

We respect and value the input of every person and at all times act with integrity and respect.

In The Service Of Others

We will provide first class facilities and services that are well maintained, inviting and valued by our customers.

Free To Do Our Best

Our culture and business processes will support people to act on their own initiative - with innovation being recognised and rewarded.

Caring For All

We will actively seek to involve everyone in all communities, working in partnership and with a passion for people.

An essential part of establishing Everybody as an independent charity was to develop a new set of organisational values. These six themes have been produced through a series of staff and Trustee workshops and they will guide our actions over the coming months and years ahead.

If we are to succeed in delivering on our mission and strategic aims, we will only do so by working with these values at the heart of all that we do.

Who We Are...

Everybody Sport & Recreation is a company limited by guarantee with charitable status, formed in March 2014 from the transfer of the leisure services portfolio of Cheshire East Council. We are an independent 'not for profit' organisation and re-invest any surpluses into services and facilities.

Everything we do will seek to support our charitable objects, as set out in our Articles of Association and demonstrate a public benefit. Our objects are;

"the provision or assistance in the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large save that special facilities may be provided to persons who by reason of their youth, age, infirmity or disability, poverty or social or economic circumstances may have need of special facilities and services" and;

"the promotion and preservation of good health including but not limited to through community participation in healthy recreation"

Everybody is responsible for the day to day management of a range of facilities and leisure development activity through the staff and senior management team. (Appendix A)

Strategic direction is provided by the independently appointed Board of Trustees in accordance with the contract and funding agreement with Cheshire East Council. The Board has ultimate responsibility for the governance of the Trust and supports and challenges the senior management team.

There are 11 Trustees on the Board, all of whom are local volunteers with a wide variety of professional backgrounds from various sectors. They bring a wealth of expertise and experience to help shape and improve our services. (Appendix B)



"We are an independent 'not for profit' organisation and re-invest any surpluses into services and facilities"

What We Do...

The fifteen leisure facilities managed by Everybody Sport and Recreation Trust are the main component of the Trust's wider offer to enhance the health and quality of life of the residents of Cheshire East, as well as those who work in or visit the area. (Appendix C)

With almost 3 million visits each year from all ages and almost 8,000 members across the borough, the leisure centres provide programmes and activities that contribute enormously to the social, educational and economic life of the community and to the physical and mental health and wellbeing of local people.

By providing targeted initiatives in those areas of greatest need, whatever the cause, we will actively seek to reduce health inequalities across the Borough. At the same time, sport and recreation will help tackle anti-social behaviour and assist with town centre regeneration through greater participation, events and activity resulting in increased footfall in our centres.

Involvement in sport and active recreation has the potential to enable everyone to gain access to an avenue of activity and social networks which will remain with them throughout their lives, for some it will lead to performance at the highest level.

Our development programme ensures that pathways and structures are in place to enable people to learn basic skills, participate in an activity of their choice, developing their competencies and reach levels of performance according to their individual aspirations and ability.

Everybody Sport & Recreation will put in place the building blocks and create the right conditions so that sport, play and active recreation can flourish at all levels. Through effective partnerships we will introduce people to active recreation opportunities, teach them the necessary skills and give them the opportunity to participate and enjoy leisure at their own level - whether this is simply playing in a local park with friends, joining in at their local leisure centre or even, representing their country.



"Almost 3 million visits each year from all ages and almost 8,000 members across the borough"

It is accepted that greater participation in any leisure, recreational or sporting activity helps improve the quality of life and the health of the individual, as well as tackling broader community issues such as reducing incidences of anti-social behaviour (ASB) and crime.

However, in spite of significant investment over the years, health inequalities remain, starker than ever in some areas of Cheshire East and ASB continues to blight some communities. This does not mean that previous spending has failed to deliver but it does demonstrate that we are not always successfully matching our service offer and prioritising spending to the needs of customers and communities.

The move to a charitable trust will require us to drive innovation in delivery and product development, think differently and act quickly to shape what we do and how we do it to truly meet the needs of local people.

In the first few months after transfer, Everybody will develop a marketing strategy aimed at getting a better understanding of our customers and local residents. This will enable us to target our offer, refine our prices and direct our investment plans to fit the character and distinctiveness of our communities and facilities. Our 'Marketing Mix' will cover;

“Everybody will develop a marketing strategy aimed at getting a better understanding of our customers and local residents”



Product – Through improved external research, trend monitoring, usage analysis and customer feedback, we will ensure that the product is what the customer wants, not what we think they want.

Price – Pricing needs to be competitive and reflect the needs of the communities served by Everybody. The approach to pricing needs to react quickly to competitors or sudden changes in use. Pricing will also be used as a tool to encourage loyalty and more efficient methods of payment such as Direct Debits, memberships and online bookings.

Place – Our facilities and external locations need to be maintained to a high quality with a strong brand presence. Whether our activities are taking place in our own facilities or in a community setting, it should strike the right balance between professional and welcoming. Regular brand audits will be undertaken to ensure that the Everybody brand is being portrayed consistently and that buildings standards are maintained.

Promotion - Everybody will have a major focus on digital marketing from the outset, web use and social media presence (particularly on Facebook) is relatively high in Cheshire East, therefore the website will be the first point of contact for all customer information and communications. The new website uses a responsive design template and will have a large emphasis on online transactions such as bookings.

Social media will play a key part in keeping our customers informed, allowing instant communication with over 10,000 users already subscribed to existing social media channels. Traditional media channels remain important and good working relationships with local and regional media outlets will be maintained and enhanced where necessary. Print will continue where appropriate though it is anticipated that the quantity of traditional printed leaflets, brochures, posters will decrease further.

People – Leisure is a service industry and its success relies on a high quality of service delivered by staff at all levels. It is essential for Everybody to not only have staff who are fully trained but also people who are right for the job. Staff will require detailed product knowledge and an increased focus on retaining existing customers and driving new memberships.

Process – Our processes need to become more customer focussed to allow users to make transactions in a variety of ways without any unnecessary delays, whether dealing with us in person, by phone or online. Online transactions are expected to increase, as are other self-service tools such as kiosks, this increased online use will free up members of staff to deal with customers who need more personal assistance.

Physical Evidence – Everything tangible relating to our services will be smart, professional and correctly branded, whether it's a simple letter, through to a detailed welcome pack or brochure. Facilities will be clean, tidy and well decorated as well as appropriate to the activities taking place.

Everybody has an annual turnover of over £10M, £7.5M of which comes from customer fees and charges. The balance of around £2.5M is the management fee from Cheshire East Council.

We employ over 700 people working across the Borough and support a network of over 400 volunteers. Despite the recent years of recession, leisure income has increased year on year due to improvements in membership offers and capital investment in facilities.

Responsibility for all property costs, including energy and utilities, will remain with the Council for the time being and be reviewed each year.

In addition, Cheshire East Council has plans to invest over £32M in new facilities in Crewe and Congleton and a major refurbishment for Macclesfield over the next 3 to 4 years.

Everybody has a number of financial challenges to face in the short-term including achieving further income growth of 4% in 2014/15 as well as preparing for the future years efficiency target of 3% reduction per annum to the Council's Management Fee.

Whilst the initial scope includes the Leisure Centres and Leisure Development team, Everybody will seek to expand the business from 2015 to include other complementary services such as Countryside and Sports Pitch management in accordance with the original Options Appraisal Report and Business Case agreed by the Council's Cabinet in June 2013.

Everybody will operate in a new financial environment, one which staff are generally unfamiliar with, particularly in regard to charitable accounting and VAT exemptions. As a result it will be necessary to have strong financial controls in place to manage expenditure and monitor performance on income generation.

A new suite of financial, procurement and contract rules will be developed and all appropriate staff will receive the necessary training to equip them for these new demands.

If we are to grow our service offer and target our investment plans and spend, management accounts will be a vital tool to ensure we understand our cost base better and its relationship to income and activity levels.

Financial systems and information will be critical to our day to day business efficiency and longer term success. We will review the current Oracle system during 2015 and ensure we have the correct financial information architecture to support our decision making, reporting requirements and regulatory returns.

We are reliant on earned income, membership fees and the Council's Management Fee to generate working capital and support our investment plans. In order to deliver on planned 'quick wins' and promote growth, we will also consider different sources of finance and borrowing to fund new initiatives and business expansion.

Summary Income & Expenditure



INCOME

	£000	£000
General Fees & Charges	(7,209)	
Grants (within Restricted Funds)	(345)	
Operational Management Fee	(2,139)	
Support Services	(617)	
Total		(10,310)

EXPENDITURE

	£000	£000	£000
Employees:			
- Permanent Staff	5,767		
- Casual Staff	1,640		
- Training	<u>87</u>	7,494	
Transport:		53	
Premises:			
- Business Rates		161	
Supplies & Services:			
- Leasing Payments	157		
- Equipment Purchase and Maintenance	72		
- Chemicals	51		
- Insurances	130		
- Unrecoverable VAT	351		
- Cleaning Supplies	57		
- Sports & Games Equipment	74		
- Stock for Resale	74		
- Hired & Contracted Services	252		
- Other	<u>636</u>	1,849	
Third Party Payments:			
- Reimbursement of Income Collected		31	
Support Services Bought Back		617	
Total			10,210
Contribution to Reserves			(100)

Performance

We will support the Council in the achievement of the following local targets:

- 1% annual rise in adult participation in physical activity, sport and active recreation calculated on attendances.
- 1% annual rise in children and young people aged 16 years and under participating in physical activity, sport and active recreation calculated on attendances.
- 1% annual rise in participation by adults and children with a registered disability in physical activity, sport and active recreation calculated on attendances.
- Annual increase in the number of volunteer hours involved in leisure and wider community support

The baseline performance data will be calculated during the first year of the Trust in 2014-15. We will benchmark our performance with other leisure operators nationally, including the private sector, and working with our Auditors, develop a range of meaningful impact measures for each of our strategic aims.

The recent UKactive survey 'Turning the Tide' found that in Cheshire East around one quarter of the population are failing to achieve just 30 minutes of moderate exercise each week, resulting in 228 premature deaths per year with an annual cost of over £50M to the local authority.

At the same time, the Sport England survey suggests that only a third of local people actively participate in sport and recreation. Whilst initially disappointing statistics, these surveys do suggest there are real opportunities for the Trust to improve this baseline position in the future.



Performance

We will monitor customer satisfaction through the annual survey and ongoing mystery shopper visits and customer feedback. Staff morale will be crucial to our future success and we will look to build on the post-transfer optimism and carry out a staff survey in year one.

Financial performance will be monitored at each facility and for each service or product to ensure continued investment is justified and appropriate services are developed and enhanced.

Everybody will seek to develop an appropriate methodology to analyse the social return on investment and measure the benefits achieved against the broader health and community outcomes we are seeking to impact.

Overall performance will be formally reported to the Trust Board and to Cheshire East Council on a quarterly basis including a comprehensive Annual Report.

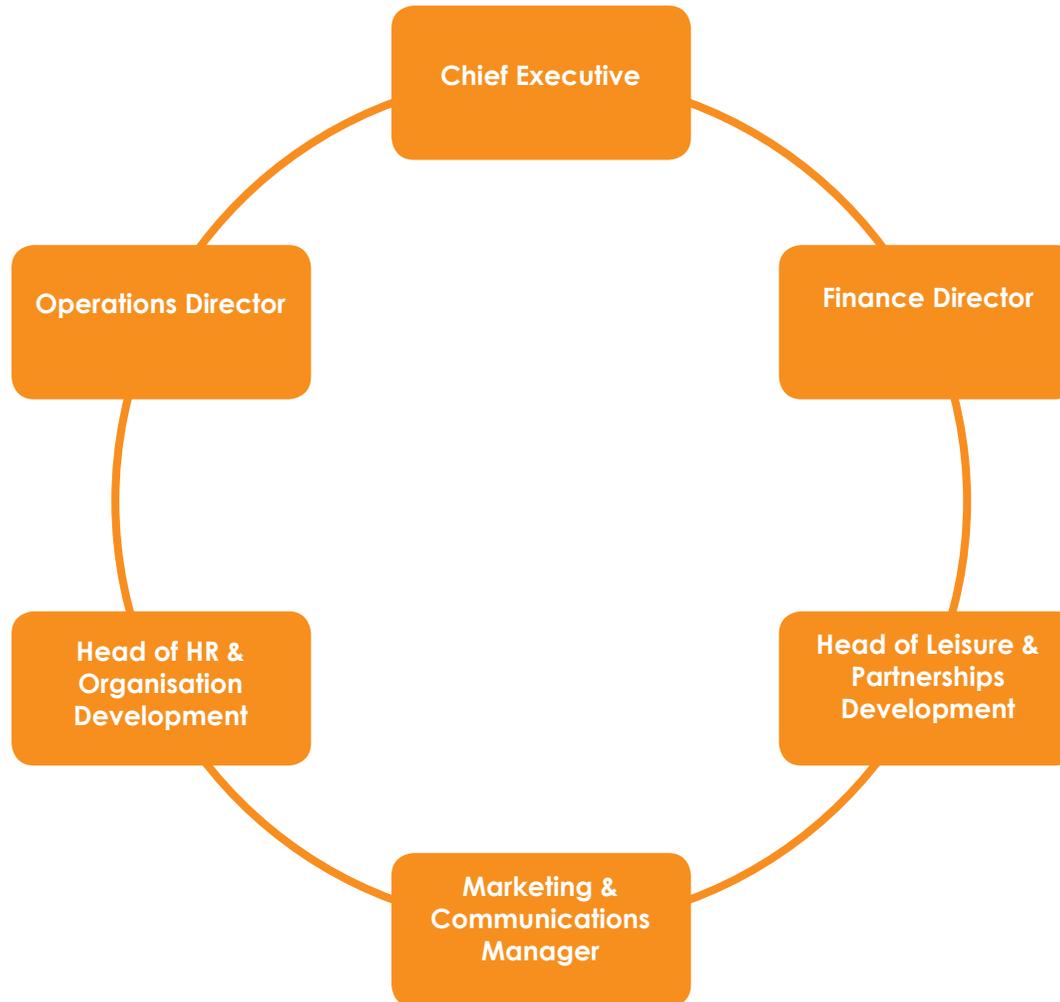
Stories of individual success, activities that have made a difference to local communities and team achievements will be captured and reported alongside the quantitative data to provide a comprehensive view of delivery and impact against our mission and aims.

During our first year of operation we will develop our approach to managing and improving our knowledge base and strengthen our systems and processes, capturing meaningful information that gets to the heart of our performance against the strategic aims and helps us prioritise our actions.

An initial set of base performance measures will be developed in 2014/15 to ensure what we measure accurately reflects the impact of our activities on our overall mission statement. The priority will be to measure the effectiveness of what we do against the broader social outcomes we are seeking to influence. This 'so what?' test will ensure we deliver a real difference to stakeholders and measure what matters most to local people.



Senior Management Team



Trustees and Company Information

Registered office Everybody Sport & Recreation
3rd Floor, 1 Ashley Road,
Altrincham, Cheshire
WA14 2DT

Company Number 8685939

Registered Charity Number 1156084

Bankers Barclays Bank
1, Churchill Place,
London,
E14 5HP

Solicitors BWB
2-6 Cannon Street,
London,
EC4M 6YH

Auditors Appointment underway

The Board of Trustees

Mr Andrew Kolker (Chairman)	Mr Andy Farr
Ms Gill Benning	Mrs Christine Gibbons
Mr Phil Bland	Mr Martin Hardy
Mr Colin Chaytors	Mr Harry Korkou
Mrs Zoe Davidson	Mr Richard Middlebrook
	Vacancy

Chief Executive Mr P M Hartwell

Company Secretary Oakwood Corporate
Services
3rd Floor, 1 Ashley Road,
Altrincham,
Cheshire
WA14 2DT

List of Leisure Facilities

The following list details the leisure facilities managed by Everybody Sport & Recreation:

- Alsager Leisure Centre
- Barony Park Sports Complex
- Congleton Leisure Centre
- Crewe Swimming Pool and Fitness Centre.
- Holmes Chapel Leisure Centre
- Knutsford Leisure Centre
- Macclesfield Leisure Centre
- Middlewich Leisure Centre
- Nantwich Swimming Pool and Fitness Centre
- Poynton Leisure Centre
- Sandbach Leisure Centre
- Shavington Leisure Centre
- Sir William Stanier Leisure Centre
- Victoria Community Centre – Oakley & Cumberland Arena
- Wilmslow Leisure Centre

In addition, with the planned £32M capital investment over the next three years by Cheshire East Council for Crewe, Congleton and Macclesfield, Everybody Sport & Recreation will manage the new facilities in those towns once they are completed.



“Almost 3 million visits each year from all ages and almost 8,000 members across the borough”

Delivery Plans 2014 -16

Strategic Aim 1: Grow an ethical and sustainable business

Delivery Plan Ref No:	Key Description	Timescale (Lead)
1.1	Investigate and maximise external funding opportunities, which are aligned to our strategic aims and directly benefit our communities & customer demands.	Ongoing (JW / GB)
1.2	Work with CEBC to secure the planned 'Phase 2' expansion of the business to include Countryside services, PRow and Playing Pitches.	Oct 2014 (PH)
1.3	Undertake a fundamental 'product review' of everything we currently deliver in order to devise a product led & customer driven improved offer.	Dec 2014 (GB)
1.4	Develop an investment strategy for all facilities – to complement the Local Authorities capital investment in key facilities and takes advantage of developer contributions. Produce a programme of local improvements and quick wins for the whole Trust estate.	March 2015 (PH / FD / OD)
1.5	Develop a comprehensive suite of organisational strategies, policies & business systems to enhance & shape the leisure offer and to help support the organisational culture.	July 2015 (FD / TB)
1.6	Undertake and demonstrate social return on investment (SRI) analysis for all key products and services.	Sept 2015 (FD / GB)
1.7	Build our organisational infrastructure and capability - to enable the scope of our services to be increased and establish the foundation for future growth.	Oct 2015 TB / FD

Strategic Aim 2: Provide a great customer experience

Delivery Plan Ref No:	Key Description	Timescale (Lead)
2.1	Maintain and wherever possible, increase our quality accreditation (QUEST) for all sites and services delivered, including achieving Inclusive Fitness Initiative where appropriate.	Ongoing (OD)
2.2	Develop a modern customer charter that reflects how customers wish to communicate with us - seeking to achieve 100% compliance on all response standards and enhance wider engagement.	Sept 2014 (JW)
2.3	Implement a targeted and community/market-led pricing policy which seeks to maximise participation and respond to emerging competition.	Sept 2014 (GB / JW)
2.4	Research all market segments and local community needs to help develop a tailored customer offer(s) for everyone at every age.	Oct 2014 (JW)
2.5	Develop a flexible marketing & communications strategy, optimising all technological & innovative solutions as well as exploiting traditional channels.	Dec 2014 (JW)
2.6	Develop a Members Retention and Management Plan (including customer loyalty proposals) to look after and grow our membership, reducing the current annual membership turnover of 40%.	March 2015 (JW)
2.7	Continue to develop the Xn Booking System, exploiting on-line functionality and reception based self-service kiosks to improve the customer experience and increase opening hours.	March 2015 (JW / OD)

Strategic Aim 3: Develop our people to be the best

Delivery Plan Ref No:	Key Description	Timescale (Lead)
3.1	Develop our Volunteer programme to increase development opportunities in order to support the delivery of clubs, organisations and community groups, along with our full product offer.	Ongoing (GB / TB)
3.2	Create a working environment which promotes the health, safety and wellbeing of all our people.	Ongoing (TB/PH/OD)
3.3	Develop a People Strategy which drives organisational change and shapes our new valued-driven culture - engaging with 'all' people representing the Trust.	Oct 2014 (TB/PH)
3.4	Implement a modern and flexible pay & reward scheme, which recognises high performance and key contribution from all teams and individuals.	Dec 2014 (TB)
3.5	Become a Learning Organisation by creating learning and development opportunities for all our people and enable our teams to gain skills & share our best practice delivery to the community and partner organisations.	Sept 2015 (TB / GB)
3.6	Develop a 'leisure academy' by supporting a range of opportunities within our communities for employment, apprenticeship/work placement, training and continuous professional development.	Oct 2015 (TB)
3.7	Be an employer of choice within our local labour markets and a leading employer within the industry & sector – attracting and retaining the best people.	March 2016 (TB)

Strategic Aim 4: Build strong communities and effective partnerships

Delivery Plan Ref No:	Key Description	Timescale (Lead)
4.1	Provide advice and expertise to clubs, organisations and community groups to access funding opportunities in order to develop their existing and new facilities/services.	Ongoing (GB)
4.2	Develop the offer of high profile national sport and health campaigns as a key tool to connect with our local communities.	Ongoing (GB / OD)
4.3	Deliver local programmes and activities in targeted neighbourhoods and with specific user groups based on need customer preference.	Ongoing (GB)
4.4	Build effective relationships with schools to enhance the educational and community offer of sport and recreation and help manage the transition from the existing Joint-Use Agreements with CEBC.	Dec 2014 (PH/GB/OD)
4.5	Identify and develop our new partnership network locally, regionally and nationally across all sectors.	Dec 2014 (GB / OD)
4.6	Undertake a full partnership review to ensure cost effectiveness and strategic / local relevance to delivering our Strategic Aims	Feb 2015 (PH / GB)
4.7	Place our facilities at the heart of the local community to work with the local authority and partner organisations to develop valued community 'hubs' and services, working with CEBC where appropriate.	March 2016 (GB)

Strategic Aim 5: Change lives through healthy recreation

Delivery Plan Ref No:	Key Description	Timescale (Lead)
5.1	Make a key contribution to 'social behavioural change' in our communities by engaging people in sport and recreational activities and achieve a sustainable impact on a range of social outcomes.	Ongoing (OD/GB)
5.2	Identify and support talented athletes to maximise their development and help achieve their optimum goals through appropriate pathways.	Ongoing (GB)
5.3	Develop 'lifestyle' offer with CEBC Adult Social Care team to vulnerable and disabled customers, ensuring safeguarding responsibilities are fully implemented.	Ongoing (OD)
5.4	Work with CEBC Children & Families Service to develop a funded package of services to help fulfil their 'Corporate Parenting' responsibilities and improve their participation in a range of leisure and recreational activities for Cared for Children.	Sept 2014 (GB)
5.5	Integrate the proposed transfer of further recreational services, including Countryside and PRoW, with existing Leisure Centre services to provide a holistic, varied leisure offer to residents and visitors.	March 2015 (PH)
5.6	Develop and manage a tailored programme of activities – targeting those who are inactive (circa 25% of population) or do not currently benefit from participation in sport & recreation.	Sept 2015 (GB / OD)
5.7	Identify, recognise and promote the achievements of individuals who make a positive difference to people's lives and/or inspire others to do so through sport & recreation.	Annually (JW/GB)

Cheshire East Council

Cabinet

Date of Meeting: 19 January 2016

Report of: Kath O'Dwyer
Deputy Chief Executive/Director of Children's Services

Subject/Title: Corporate Parenting Committee

Portfolio Holder: Cllr Rachel Bailey, Children and Families

1. Report Summary

1.1. This report proposes the establishment of a new Corporate Parenting Committee to ensure that the Council, with its partners, effectively discharges its role as Corporate Parents for all their children in care.

2. Recommendation

2.1 It is recommended that:

- a) Cabinet appoints a Corporate Parenting Committee, with cross party membership of 12 Elected Members and the terms of reference at Appendix 1;
- b) The Committee shall have the status of an advisory committee and include representative young people from the Children in Care Council to perform an advisory role to the Committee;
- c) The Committee shall, once its membership has been agreed, formally commence its role; and
- d) The existence of the Committee be noted in the Council's constitution.

3. Other Options Considered

3.1. There are a number of different models for a Corporate Parenting Board or Committee. One option is to operate the Corporate Parenting Board as an officer group, with member involvement. This has been the model to date. However, this group has not provided a strategic level of accountability around services for cared for children and does not have the influence to make some of the changes needed to other services within the Council.

3.2. Another option would be for the Children and Families Overview and Scrutiny Committee to take up this role. Whilst part of the function of Scrutiny Committee is to monitor the effectiveness of services for cared for children, this is not the same as leadership, and is unlikely to result in an effective strategy for corporate parenting.

- 3.3. Thirdly, an option would be to assign the role to another partnership, such as the Children and Young People's Trust or Local Safeguarding Children Board. Whilst these boards need to monitor and challenge outcomes for cared for children, their remit is much wider and they would be unlikely to give the needs of cared for children the necessary focus. The advantage of establishing a Corporate Parenting Committee is that it gives it the importance, status and influence of a formal council committee. The leadership and commitment of Elected Members in their role as corporate parents is of critical importance in achieving good outcomes for children and young people in care.

4. Reasons for Recommendation

- 4.1. Corporate parenting is a statutory function of the Council. The Corporate Parenting Committee will act in an advisory role to Cabinet, which will assist the Council in continuing to fulfil its legal obligations and responsibilities towards cared for children and care leavers and provide the strategic direction to ensure that they are effectively supported to reach their potential through the provision of excellent parenting, high quality education, opportunities to develop their talents and skills, and effective support for their transition to adulthood.

5. Background

- 5.1. As at the end of November 2015, there were 395 children and young people in the care of Cheshire East Council and 221 care leavers. A child or young person is 'looked after' if they are subject to a Care Order or are being looked after under a voluntary agreement, subject to the Children Act 1989. The local authority has a statutory duty to those aged 0- 18 years and up to 21 years as care leavers or 24 years if they are in full time education. In Cheshire East, these young people decided that they wanted to be called 'cared for', so this is the term generally used in Cheshire East.
- 5.2. When these children and young people come into care, the Council takes on a role described as 'Corporate Parent'. The term 'Corporate Parent' means the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for the children who are looked after by the Council to provide a standard of care that would be good enough for their own children.
- 5.3. The current iteration of the legal corporate parent responsibility comes from section 22 of the Children Act 1989, which imposes a duty on local authorities to safeguard and promote the welfare of each child they look after. Several pieces of more recent legislation have built on this including extending this to cover care leavers, requiring other local agencies to cooperate with the local authority and various duties in planning and reviewing care for individuals and as a locality. These are supported by a suite of statutory guidance, which helps explain what these duties mean in practice, and to which local authorities must have regard.

- 5.4. The corporate parenting responsibility rests with all councillors and council officers and extends into district councils, where they exist, and other local agencies. How involved individuals may be will depend on their role, with Directors of Children's Services and Lead Members having this responsibility as a core focus. Many decisions and functions, however, as diverse as leisure, health, planning and school governance, can have an impact on the wellbeing of looked after children.
- 5.5. Children and young people who are looked after by the local authority rather than their parents are amongst the most vulnerable groups in our community. Outcomes for this group are generally poor and, as corporate parents, the Council has the responsibility to keep them safe, make sure their experiences in care are positive and improve their on-going life chances.
- 5.6. The existing Corporate Parenting Board is made up of officers from within the Council, jointly chaired by the Portfolio Holder for Children and Families and young people representatives from the Children in Care Council. Whilst this group has been effective in developing and monitoring a strategy for cared for children and care leavers, it does not have influence at a policy level. Under the proposed governance arrangements, this group would continue to meet to deliver the strategy and provide information and advice to the Corporate Parenting Committee.
- 5.7. A recent Ofsted inspection has identified a number of areas for improvement in relation to cared for children and care leavers. A new Children's Improvement Plan will set out how these areas for improvement will be addressed. The proposed governance arrangements puts individual boards responsible for delivering, monitoring and challenging progress against the improvement plan. The Health and Wellbeing Board will be the accountable body for overseeing the 'sign off' of action plans.
- 5.8. As part of the governance arrangements for the improvement plan, it is proposed to establish a new Corporate Parenting Committee which would be an advisory committee of Cabinet, given that as a matter of law the Committee will be. The proposed terms of reference for this group are attached at Appendix 1. The current Board is co-chaired with young people and it is proposed that representatives from the Children in Care Council would perform an advisory role in respect of the Committee.
- 5.9. Nevertheless, Cabinet may choose to appoint the Committee on a cross-party basis which, in line with current political proportionality, would have a membership of 8:2:2 (Conservative, Labour, and Independent).

6. Wards Affected and Local Ward Members

- 6.1. The recommendations will affect a small percentage of children and young people across all areas of Cheshire East. Our cared for children live across Cheshire East and some are placed outside of the borough.

7. Implications of Recommendation

7.1. Policy Implications

- 7.1.1. The proposal is expected to put cared for children, young people and care leavers at the centre of Council policy and decision making.

7.2. Legal Implications

- 7.2.1. There are a number of pieces of legislation and statutory guidance that set out the role of the local authority in respect of cared for children and care leavers. There are statutory obligations and guidance for the role of the Local Authority as the Corporate Parent in the Children's Act 1989 and 2004, and the Children and Young People Act 2008.
- 7.2.2. *The Children Act 1989* is the primary legislation setting out the local authority's responsibility to children 'in need', including cared for children. Section 22 imposes a duty on local authorities to safeguard and promote the welfare of each child they look after. *Section 27 of the Children's Act 1989* (amended 2006) places a duty on Housing, Education and Health Authorities to assist with Corporate Parenting.
- 7.2.3. *The Children (Leaving Care) Act 2000* extended the responsibility of the local authority to young people leaving care, requiring them to plan the young person's transition to adulthood and provide ongoing advice and assistance until at least the age of 21.
- 7.2.4. *The Children Act 1989 Guidance and Regulations Volume 2: Care Planning, Placement and Case Review Regulations 2010 and Statutory Guidance* clarify the expectations of care planning and review for cared for children and strengthen the role of the Independent Reviewing Officer (IRO) to challenge when identified needs are not being met. The manager of the service is required to prepare an annual report that should be made available to corporate parents.
- 7.2.5. *The Children Act 1989 Guidance and Regulations Volume3: Planning Transitions to Adulthood for Care Leavers* gives details of how care-leavers should be provided with comprehensive personal support so that they achieve their potential as they make their transition to adulthood. It includes the need for care-leavers to be living in suitable accommodation and receiving support to continue in education or training and to find employment
- 7.2.6. *The Adoption and Children Act 2002* required all local authorities to appoint Independent Reviewing Officers (IROs) to review the care plans of looked after children, and the Act introduced Special Guardianship orders that provide permanence for children but are alternatives to adoption.
- 7.2.7. *The Children and Young Persons Act 2008* requires local authorities to take steps to secure sufficient suitable accommodation for looked after

children within their area that meets their needs. It also strengthens the care planning process and the role of the Independent Reviewing Officer in monitoring the plan, and children's health and education plans are essential components of this.

7.2.8. *Statutory Guidance on Promoting the Health and Well-being of Looked After Children, 2002*, placed the contribution of NHS agencies towards meeting the needs of looked after children on a statutory footing.

7.2.9. *Promoting the Education of Looked After Children: Statutory Guidance for Local Authorities, 2014*, updates the 2010 statutory guidance clarifying the duty to actively support cared for children's education. The guidance details the duty local authorities and Virtual School Heads have to promote the educational achievement of the children they look after, including those placed out-of-authority.

7.2.10. The Children Act 2004, s52 inserted paragraph 3A to s22 of the Children Act 1989 being;-

22 (3A)The duty of a local authority under subsection (3)(a) to safeguard and promote the welfare of a child looked after by them includes in particular a duty to promote the child's educational achievement.

7.2.11. The Children & Families Act 2014 s99 inserted paragraph 3B and 3C to the Children Act 1989 being;-

In the Children Act 1989, in section 22 after subsection (3A) (duty of local authorities to promote the educational achievement of looked after children) insert;-

22 (3B)A local authority in England must appoint at least one person for the purpose of discharging the duty imposed by virtue of subsection (3A).

22 (3C)A person appointed by a local authority under subsection (3B) must be an officer employed by that authority or another local authority in England."

7.2.12. *Statutory Guidance: Securing Sufficient Accommodation for Looked After Children, 2010*, requires local authorities to develop a plan to secure sufficient accommodation for cared for after children within their local authority area and which meets their needs. They can only do this if they work in partnership with other agencies as the requirement is not just about accommodation and placements but also securing a 'diverse range of universal, targeted and specialist services working together to meet children's needs' and applies not only to cared for children, but also those on the edge of care and at risk of custody.

7.3. Financial Implications

7.3.1. Bringing children into the care of the local authority represents a significant cost for the Council. The Corporate Parenting Committee would be better able to monitor these costs and the implications of keeping

children and young people in care. There will be some costs to the Council in establishing a Committee in terms of administration and Elected Member time.

7.4. Equality Implications

7.4.1. None at this stage.

7.5. Rural Community Implications

7.5.1. None identified at this stage.

7.6. Human Resources Implications

7.6.1. There are no human resource implications.

7.7. Public Health Implications

7.7.1. Cared for children are more at risk of health inequalities than their peers. The proposals are expected to improve the awareness and response in respect of these health needs.

7.8. Other Implications

7.8.1. None.

8. Risk Management

8.1. Cared for children are a vulnerable group that are risk of a number of factors – poor education and training, health, safeguarding and transition into adulthood. The creation of a Corporate Parenting Committee would enable these risks to be properly monitored and evaluated.

9. Access to Information/Bibliography

9.1. The legislation and key statutory documents in relation to cared for children and young people and cared leavers are set in this paper.

10. Contact Information

Contact details for this report are as follows:

Name: Kath O'Dwyer
Designation: Deputy Chief Executive/Director of Children's Services
Tel. No: 01270 371105
Email: Kath.O'Dwyer@cheshireeast.gov.uk



CORPORATE PARENTING COMMITTEE

Purpose

The purpose of the Corporate Parenting Committee in its role as an advisory committee to the Cabinet is to ensure that the Council effectively discharges its role as Corporate Parent for all children and young people in care and care leavers from 0- 25 years of age and holds partners to account for the discharge of their responsibilities.

Terms of Reference

1. Act as advocates for cared for children and care leavers, ensuring that their needs are addressed through key plans, policies and strategies throughout the Council and its commissioned services.
2. Ensure key strategic plans and reports relating to children in care and care leavers including the Children's Improvement Plan, Corporate Parenting Strategy and Sufficiency Statement.
3. Oversee the implementation of Cheshire East's Corporate Parenting Strategy and action plan and monitor the quality and effectiveness of services to ensure they fulfil the council's responsibilities.
4. Monitor the quality of care delivered by Cheshire East's residential children's homes via the provision of regular reports including summary reports of Regulation 44 visits and Ofsted inspections.
5. Review the performance of the Council in relation to outcomes for children and young people in care via the scrutiny of both quarterly performance reports and the annual reports of the Cared for Children Service, the Independent Reviewing Service and the Virtual School.
6. Establish an environment whereby Elected Members and young people work together to address the needs and aspirations of Cheshire East's children and young people in care and empower children and young people to participate in decision making with adults.

7. Oversee, with the Children and Families Overview and Scrutiny Committee, the implementation of best practice principles in all aspects of service delivery, with the aim of producing positive outcomes for children and young people in care.
8. Support the work of foster carers and adopters in making a difference to the care and support they provide to children and young people in care and those adopted.
9. Make sure that staff and partners follow Cheshire East's pledge for cared for children and young people and the care leaver's charter.
10. Receive and scrutinise the Independent Review Officers' Annual Report

Governance

The Committee will:

- meet bi-monthly;
- report to the Council's Cabinet on at least an annual basis;
- report to the Council's Scrutiny Committee annually: and
- include young people representatives from the Children in Care Council.

Administration

The Board will be serviced by Democratic Services in line with other Council Committees.

Minutes and agendas will be distributed and published no later than 5 clear working days prior to the meeting.

The meetings will take place out of school hours to enable cared for children and young people to participate.

Review

These terms of reference will be reviewed yearly.

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 19th January 2016
Report of: Peter Bates, Chief Operating Officer
Subject/Title: Corporate Post and Print
Portfolio Holder: Councillor Peter Groves, Finance and Assets

1. Report Summary

- 1.1. Cheshire East Council's (CEC) post and print requirements are currently provided by several external suppliers as well as CEC in-house resource. They provide post and print services to various CEC departments. The total contract spend is approximately £1m in value per annum. This excludes the in-house print unit.
- 1.2. Procurement have established an opportunity to improve processes and make savings by consolidating all post and print requirements across CEC in a corporate post and print contract. Current contractual arrangements have been extended to December 2016 to allow sufficient time to go to market.
- 1.3. Procurement options have been considered in a gateway 1 document to TEG and EMB. These include
 1. Hybrid Mail Solution - phased approach across the Council
 2. Keeping the Print Unit and subcontracting postal marking and distribution
 3. Upgrade and utilise in house Print and Post Unit
- 1.4. The recommended approach is using a hybrid mail solution. Hybrid mail reduces the time, effort and money it takes to mail any volume of letters or documents for little or no capital outlay. It works by enabling users to send individual or multiple letters or documents created on any PC or laptop to a central print site via the internet. The finished letters are printed and merged with letters the printer has produced for other customers that day and sorted into Mailsort order ready for posting. At the end of each day the mail is then dispatched via bulk mail service.
- 1.5. The programme will be split into three phases to enable CEC to trial the solution with two service areas before it is rolled out to the wider Council.

Phase one of the project will involve gathering the requirements and procuring the new service; whilst, at the same time establishing any quick win savings and reviewing current process and practices within the Council.

Phase two involves the implementation process. The hybrid solution will be implemented within Revenue and Benefits and Electoral Services first due to the imminent need to re-procure due to contracts expiring.

Phase three will review the benefits achieved from the contract and the migration of any residual print and post operations.

The procurement will include the total requirements for the Council to ensure these can be included in the contract at later phases.

- 1.6. The purpose of this paper is to seek Cabinet approval to proceed with the procurement of a corporate print and post contract. The procurement route is being evaluated but is likely to be via a Framework by mini competition, letting a maximum 4 year contract, with a maximum total contract spending of £3,700,000.

2. Recommendation

- 2.1. That authority be delegated to the Chief Operating Officer in consultation with the Portfolio Holder for Finance and Assets to undertake the procurement and award of contracts to the new provider and to take all necessary steps to implement the new contract.

3. Other Options Considered

- 3.1. A range of options have been considered which include continuing to procure using individual service specific contracts or consolidating the Councils postal requirements to access more competitive postal rates and using a third party distributor. However the hybrid solution enables the greatest savings and cost efficiencies across the Council as it consolidates the requirements and streamlines processes to take advantage of economies of scale.

4. Reasons for Recommendation

- 4.1. The current print and post contracts for both the Revenue and Benefits Services and the Elections Service are due to expire within the next 12 months. They have been extended to December 2016 to allow sufficient time to tender the requirements in line with Public Procurement Legislation.
- 4.2. Other potential procurement options have been considered through a gateway 1 business case to TEG and EMB. Informal meetings with potential suppliers have been conducted to explore all potential options available. The phased hybrid solution offers the Council;

- Savings of between £300k - £500k for a fully managed hybrid post and print solution. The bulk of the savings will be realised once all phases are complete, however quick win savings will be generated and reported as the project progresses.
The savings figures are based on current volumes of print and post and do not take into consideration the overall objective to reduce print and post consumption within the Council.
- The ability to pilot the solution with two service areas to ensure its fit for purpose and to understand the operational and cultural implications before the residual print and post is included;
- Streamline the Council processes;
 1. Consolidate usage to benefit from economies of scale;
 2. Fewer contracts to manage by consolidating into one single corporate contract;
 3. Fewer invoices to process by consolidating all spend under one single contract and supplier.
- Improved traceability and security;
- Data handled and managed Safely and Securely by industry experts;

A change in the Councils post and print policy will be required.

- 4.3 There are a number of projects within the Council linked to post and print. These include
- Working Together Strategy (See Appendix 1)
 - ICT Reduction in Paper Consumption,
 - ICT MFD Review and ICT Reduction File Storage,
 - Reducing Travel to Meetings by using Lync, I-pads and
 - the Digitisation Project.

Care needs to be taken to ensure there is no double counting volumes, spend and savings.

- 4.4 This project will help with the overall culture change and feed into other projects to reinforce the message to reduce the amount we print as a Council.
- 4.5 This project will contribute to the following outcomes
- Ensuring quality and value in public services;
 - A Council that ensures services are delivered in a way which gives best value for local people;

- Develop a more affordable model of corporate and support services with key subject expertise, to enable better strategic commissioning and delivery of frontline services;
- Continue targeted business improvement reviews to find efficiency savings from all services;
- Implement a modern business architecture, including ICT systems, which supports innovative and affordable frontline delivery.

5. Background/Chronology

- 5.1. As outlined above, the current contracts for print and post are due to expire in December 2016. Due to the level of spend on print and post an EU compliant procurement process needs to be undertaken.
- 5.2. The Councils print and post contracts are disaggregated across different service areas. There is an opportunity to streamline processes and gain economies of scale by consolidating all requirements under one corporate contract.
- 5.3. Options have been explored in a gate 1 business case which was endorsed in September 2015.

6. Wards Affected and Local Ward Members

- 6.1. No impact on any specific wards and Local Ward Members

7. Implications of Recommendation

7.1. Policy Implications

- 7.1.1. This project will need to consider the change in culture required to move to a hybrid print and post solution. Print and post will be sent off site electronically meaning a change in the way the Council does business. Officers and Members will need to support the change to enable the benefits to be achieved.
- 7.1.2. A new corporate print and post policy will need to be developed to support the change.

7.2. Legal Implications

- 7.2.1. The Council currently meets its needs for post and print services via individual contracts with a number of providers according to the particular needs of each individual service. In addition, some of the Council's requirements are met by an in-house resource.
- 7.2.2. It is proposed that that the Council procure an overarching contract to meet all of its outgoing print and post needs. The value of the proposed contract (£3,700,000.00) means that an EU complaint procurement process needs to take place.

7.2.3. Due consideration should be given during the procurement process to any implications arising from the potential transfer of staff (both from existing service providers and in-house resource) pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Advice should be sought from HR and Legal Services in relation to in-house resource.

7.2.4. The Council has a duty to achieve best value and Cabinet will need to satisfy itself that the business case and the decision to take this approach will achieve this duty. Legal Service is not in a position to comment on best value to the Council approaching the procurement in this manner and looks to colleagues in the Finance and Procurement Services to provide guidance on the approach to procurement that would provide best value to the Council.

7.2.5. It is proposed that the Council carry out a mini-competition under an existing Framework Agreement. A framework agreement enables the need for a particular service to be met for a set period of time, in order to obviate the need to undertake a wide competitive process, in relation to each individual procurement. The legal section should be requested to advise on whether the particular framework agreement can be accessed by the Council (if it has not already done so) in order to ensure that this procurement route complies with EU requirements and the Council's rules.

7.2.6. The Public Services Social Value Act 2012 applies to framework agreements. It requires the Council to:

- consider how what is proposed to be procured might improve the social economic and environmental well-being of the relevant area
- how in conducting a procurement process it may act with a view to securing that improvement whether to undertake a consultation on this matters.

7.2.7.

7.2.8. The Data Protection Act 1998 will apply where personal data is processed on behalf of the Council, it requires the Council to:

- choose a data processor who provides sufficient guarantees in respect of technical and organisation security measures governing the processing to be carried out; and
- take reasonable steps to ensure compliance with those measures.

7.3. **Financial Implications**

7.3.1. The level of spend for print and post for 2014/2015 was approximately £1m. This level of spend is broadly on par with other Councils of a similar size.

7.3.2. Savings of between £300k - £500k are anticipated for a fully managed hybrid print and post solution over the lifetime of the contract. Thereafter it is anticipated that a reduction in base budget will be possible. Quick win savings will be generated during the project and reported as the project progresses.

7.3.3. The total contract value is £3,700,000 over the 4 year contract term.

7.3.4. Financial and operational implications will be built into future business planning.

7.4. Equality Implications

7.4.1. None

7.5. Rural Community Implications

7.5.1. None

7.6. Human Resources Implications

7.6.1. Ensuring the smooth transition from the current contract to the new contract is essential. During implementation and launch phase Officers will be trained on the new process.

7.6.2. Consideration should be given to the potential transfer of staff.

7.7. Public Health Implications

7.7.1. None

7.8. Other Implications (Please Specify)

7.8.1. None

8. Risk Management

8.1. The contract will be closely monitored throughout the contracted period to ensure that the Council continues to obtain and maximise value for money and consistent levels of service. A requirement of the contract will be for continuous improvement throughout the term of the contract to ensure that best value is achieved.

<u>Corporate Risk Register</u>	
Culture Change	Lack of acceptance from the Council (high)
Post and Post Policy	Lack of acceptance of the Policy changes to incorporate lower printing and postal costs where possible (as per the IT monitoring and introduction of iPads to Senior Staff and Cabinet Members and the digitisation program running out of Communications department, the possibility of Electronic Electoral Registration. (low)
Procurement Process	The procurement route and any issues with the responses / submissions would impact the delivery of this project i.e. using ITT and not a framework. (low)
Data Security	Risks involved around sending data off-site for a 3 rd party to print either by: a) CEC users <i>sending</i> it off site by a click; and/or; b) Suppliers <i>accessing</i> our systems to pull out bulk print jobs (high)

9. Access to Information/Bibliography

Relevant papers are available from the project.

10. Contact Information

Contact details for this report are as follows:

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WORKING TOGETHER PROGRAMME

Post/Print

- Procurement
 - *Revenues/Benefits*
 - *Elections*
 - *Remainder*
- Reduction in Print
 - *Committee Agendas*
 - *Other*
- Reduce MFD's
 - *Replacem't programme*
- CoSocius Print
 - *Service Improvements*
 - *Reduce print (ie electronic payslips)*

Meeting Rooms

- Lync Enabled Meeting Rooms
- Improved video conferencing
- Improved room booking - Outlook Integration
- Management ability
- Check in screens

Mileage Reductions

- Policy Changes
- Video conferencing (Lync)
- Increased hotdesk facilities

Agile Working

- Review of Policies
 - *Human Resources*
 - *ICT*
 - *Health & Safety*
- Techology
 - *Tablets*
 - *Phones*
 - *Data Storage*
 - *Smart cards*

Improved Office Standards

- Building Standardisation
 - *Dishwashers*
 - *Housekeepers*
 - *Mugs/Cups*
 - *Tea/Coffee*
- Clear Desk Policy
- Office Standards

ENABLER - I C T

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	19 th January 2016
Report of:	Bill Norman, Director of Legal Services
Subject/Title:	Legal Claim against the Council
Portfolio Holder:	Councillor J P Findlow, Performance

1.0 Report Summary

- 1.1 This report seeks to update Cabinet in respect of a legal claim against the Council.

2.0 Recommendations

- 2.1 That authority to agree the terms of settlement at Mediation be delegated to Peter Bates (Chief Operating Officer), in consultation with Mike Suarez (Chief Executive), Brenda Smith (Director of Adult Social Care and Independent Living), Bill Norman (Director of Legal Services), Councillor Janet Clowes (Portfolio Holder for Adults, Health and Leisure) and Councillor Paul Findlow (Portfolio Holder for Performance).
- 2.2 That officers be authorised to undertake all necessary actions to implement the recommendation above.

3.0 Reasons for Recommendations

- 3.1 The detailed reasons for the recommendation are currently confidential as the matter is subject to ongoing High Court proceedings. When the claim is resolved, further information can be provided.
- 3.2 The claim is of a significant value. As is normal in complex High Court proceedings, parties are obliged to engage in Mediation. In a Mediation, the parties will put forward their proposals for settlement. The process is designed to facilitate a mutually acceptable settlement of the dispute, if this is possible. The terms of the Mediation Agreement require the parties to have authority to agree a settlement on the day of the mediation. The recommendation enables the Council to meet this requirement. The Mediation will take place in February.

4.0 Wards and Local Ward Members Affected

- 4.1 All

5.0 Policy Implications

5.1 None

6.0 Financial Implications

6.1 The claim is of a significant value which is currently confidential and subject to Court proceedings and a forthcoming Mediation.

6.2 The financial implications of this report may require access to additional funding, outside of the existing specified budget allocation for the 2015/16 financial year. Such emerging risks are covered by the Council holding financial reserves to protect against potential additional liabilities. The approach is detailed in the Council's Reserves Strategy, which is an annex of the Council's Medium Term Financial Strategy (approved by Council, February 2015). The risk assessment, that supports the level of general reserves, reflects the risk of legal costs being incurred. Reporting of any financial impact of this report will be provided via a revised Medium Term Strategy (February 2016) or an appropriate Quarterly Performance Report.

7.0 Legal Implications

7.1 The subject matter of this report is subject to legal professional privilege, which applies not just to this Council but all parties involved in the proceedings which are currently ongoing.

8.0 Risk Management

8.1 The issues are confidential as the matter is subject to ongoing Court proceedings and a forthcoming Mediation.

10.0 Background and Options

10.1 This is a claim against the Council of a significant value. Details of the claim are confidential due to the fact that Court proceedings are ongoing.

11.0 Access to Information

Due to the report being primarily in respect of Exempt Information no background papers are available for inspection.

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