

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 its 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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