

## **Report to Health and Adult Social Care and Communities Overview and Scrutiny Committee**

**Date of Meeting:** 07 February 2019

**Report Title:** Everybody Sport and Recreation Performance Report 2017/18

**Portfolio Holder:** Cllr Liz Wardlaw – Portfolio Holder – Health / Deputy Leader

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### **1. Introduction and Policy Context**

- 1.1. This report provides Members of the Committee with the background information on the leisure centre and sports development services managed on behalf of the Council by “Everybody Sport & Recreation” (Everybody). It also provides an update on the fourth year of its operation following the recent production of its annual Performance Report for 2017/18.

### **2. Background**

- 2.1. The Leisure Operating Agreement between the Council and the Trust contains a range of elements to ensure that they provide 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 the requirements expected, particularly Outcome 5 – People Live Well & For Longer.
- 2.2. The commissioning and monitoring of these services is undertaken through quarterly reviews which include the Portfolio Holder to assess progress against both contractual indicators and general overall performance. In addition the Trust are required to submit an Annual Report to the Council and which was recently presented to Cabinet (Appendix 1).

### **3. Briefing Information**

- 3.1.** Members of the Committee requested the opportunity to examine the performance information provided in the Everybody Annual Report for 2017/18, and to review how maximum benefit and outcomes, in particular improved health for the residents of Cheshire East, are being achieved. Any responses and comments from Members will further help and strengthen the future monitoring of the Leisure Operating Agreement.
- 3.2.** In order to allow members the chance to ask questions on the performance of both the Trust and its progress in delivering on the “One You Cheshire East” health contract, Peter Hartwell the Chief Executive will be in attendance at the meeting.

### **4. Policy Implications including Health & Wellbeing**

The establishment of the Trust was in line with Council’s drive to become a “best fit” authority and the Trust is expected to be a significant contributor to the Council’s “Outcome Five” in support of improving the health of local residents as set out in the Council’s Corporate Plan. The Trust’s Annual Report 2017/18 evidences this in more detail.

In addition, the Public Health team have commissioned Everybody to deliver services as part of its integrated lifestyle programme ‘One You Cheshire East’. These cover; healthy eating, weight management, physical activity and falls prevention services. These aim to address lifestyle related issues within the local community such as obesity and physical inactivity using an approach based on national recommendations, thereby improving the long-term health of the local population. Performance information on this is highlighted on page thirty six of the Report

Contract management with Everybody occurs on a quarterly basis via a formal review meeting involving the Portfolio Holder and other relevant Cheshire East officers. This includes a review of key outcomes and performance indicators required in the Leisure Operating Agreement as set out on page thirty five of the Report.

#### **4.1. Legal Implications**

- 4.1.1.** Everybody currently operates a contract of ten years in length but due to its excellent performance has recently been extended by Cabinet on 6<sup>th</sup> November for a further five years. The contract commenced on 1<sup>st</sup> May 2014 and includes a range of leisure centre leases that also run co-terminus with this timescale.

## **4.2. Financial Implications**

- 4.2.1. Whilst the Trust is a fully independent organisation it is required by the Charities Commission to submit a full set of accounts as recently presented to Cabinet on the 6<sup>th</sup> November 2018 as part of the company's annual Performance Report. As a company limited by guarantee, under this status the Trust is a "not for profit" organisation and has to reinvest any surpluses into services and facilities.
- 4.2.2 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 including ICT services. In the previous financial year the Trust has transferred over to using its own HR and payroll system. Whilst the Council has transferred the majority of the leisure centre sites to the trust via 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, programmed asset improvements and energy provision.
- 4.2.3 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. Whilst the Leisure Operating Agreement has a default of a 3% reduction in the management fee year on year, the management fee for 2018/19 is £1.778m and there has been a reduction in the total fee of 31.8% since transfer in May 2014. This is set against the Trust also being required to absorb all its expenditure growth pressures

## **4.3. Human Resources Implications**

- 4.3.1 There are no implications as a result of this report.

## **5. Access to Information**

Appendix 1 – Everybody Sport & Recreation – Performance Report 2017/18