

## Appendix 2

## Member led Project Scope

<b>Project Title:</b>	Role and Provision of Council owned Local Leisure Facilities
<b>Project Category:</b>	In-Depth Scrutiny Review
<b>Project Sponsors:</b>	Scrutiny Sub-Committee
<b>Lead Member: (Project Champion)</b>	Councillor Reuby
<b>Lead Officer: (Project Manager)</b>	Dan Hamlin
<b>Member Scrutiny Review Panel:</b>	MacCaul, Samper, Thomas and Wratten.
<b>Officer Group:</b>	David Ford
<b>Project Team peripheral:</b>	Malcolm Burgess, Janet Taylor, Mark Redhead, Suzi Wakeham, Janice McGuinness, Giles Seaford, Colin Pengelly, Finance representative
<b>Project concern:</b>	That the council achieves value for money in relation to the delivery of its leisure facilities
<b>Project task:</b>	To review current arrangements for managing the councils leisure facilities and consider the most effective way of delivering the council's objectives.
<b>Project purpose:</b>	To establish the most appropriate means through which council leisure objectives can be achieved.
<b>Customer:</b>	Council
<b>End Users:</b>	Residents, stakeholders, Active Life users
<b>End result:</b>	A clear steer on preferred future options on the future delivery of council leisure objectives
<b>Success criteria:</b>	The production of a clear strategic plan for council leisure facilities

**Project Information:**

**Active Life - Background**

The management of the council's five leisure centres transferred to an independent Trust (Active Life Ltd) on 1 April 2002. The Trust was set up as a Company Limited by Guarantee and became a registered charity in January 2003

The primary objective of the transfer was to safeguard the effective delivery of the services and to open opportunities for service improvement, inward investment and development.

There were substantial NNDR and VAT savings derived from the transfer. To date these savings amount to over £2m and now continue at over £500,000 per year. Since transfer, Active Life has invested £1.34m in capital projects, further investment has occurred via a £600,000 loan from the council.

Average spend per customer between 2002 and 2007 has increased from £2.95 to £3.65. Council subsidy per visit has reduced 34p per visit to 27p over the same period.

The grant to Active Life for 2009/10 was £276,100 and in 2010/11 is £272,000. This is part of a 4-year funding arrangement up to 2011/12 where the grant is limited to RPI increases. Other than the grant the council has a budget of approximately £190k for building maintenance across the 5 centres. Under the terms of the leases, as Landlord, the council is responsible for structural maintenance, major plant and repairs. Active Life are responsible for day-to-day maintenance.

Active Life's energy costs have increased by £200,000 per annum. Many leisure trusts have required their grants to go up substantially to meet rising energy costs. This is likely to continue into the future.

Active Life's current grant has been limited to RPI increases on the basis that there is substantial investment in energy saving measures required to bring costs down. These measures are currently being implemented (e.g. Combined heat and power systems, pool covers, etc).

Active Life are key partners in the delivery of key council priorities including the relocation of the Pier Sports centre, investment in new facilities at Whitstable Community College and the potential community football facility in Canterbury. Active life is also involved in delivering programmes with key partners such as the recently launched Dive programme at Kingsmead, the Change for Life initiative and Get Active Feel Alive.

**Review information**

There is a break option in 2012, which provides the council with an opportunity to review its leisure provision arrangements. The uncertainty regarding Active Life's future post 2012 is making it difficult for them to secure funding for investment in our leisure centres. There is therefore an urgent requirement to establish a strategy for the way forward regarding council leisure provision post 2012.

Active Life has currently commissioned their own review on the governance and management and other internal arrangements together with their longer-term strategic objectives. The review will be taking place during February and March. The outcomes of the review will be reported to the Member panel.

The council has also commissioned an independent leisure provision review. This is intended to cover the council's options post 2012. It is proposed that the review and its findings will be steered by scrutiny panel and inform it's outputs.

The above review process, beginning with the technical examination carried out by Active Life. The task for the panel is to steer the review process to address the following issues:

### **Key Review Issues**

- *What should the council's role be in delivering overall provision? Should it adopt other models? For example, commissioning third parties to deliver services, or is the current arms length model more appropriate?*
- *What specific services should be provided and in which specific locations?*
- *How will future models meet the council's stated leisure objectives?*
- *Where does the increased private sector provision of leisure facilities, e.g. swimming pools, gym facilities, etc, fit with those currently provided by the council?*
- *How does the current model of service delivery fit with the budgetary trends the council faces and the impact of the current economic climate?*