



## REPORT TO CABINET

20 March 2019

<b>Subject:</b>	<b>Sandwell Leisure Trust Business Plan 2018-2021</b>
<b>Presenting Cabinet Member:</b>	<b>Councillor Bill Gavan - Cabinet Member for Leisure and Commonwealth Games</b>
<b>Director:</b>	<b>Executive Director – Neighbourhoods – Alison Knight</b>
<b>Contribution towards Vision 2030:</b>	 
<b>Key Decision:</b>	Yes
<b>Forward Plan (28 day notice) Reference:</b>	SMBC02/03/2019
<b>Cabinet Member Approval and Date:</b>	Councillor Bill Gavan - Cabinet Member for Leisure and Commonwealth Games 20.02.2019
<b>Director Approval:</b>	Executive Director – Neighbourhoods 25.02.2019 Director – Housing and Communities 20.02.2019
<b>Reason for Urgency:</b>	Urgency provisions do not apply
<b>Exempt Information Ref:</b>	Exemption provisions do not apply
<b>Ward Councillor (s) Consulted (if applicable):</b>	This is a boroughwide proposal
<b>Scrutiny Consultation Considered?</b>	Scrutiny have not been consulted
<b>Contact Officer(s):</b>	Gemma Ryan Business Manager – Sport & Leisure <a href="mailto:gemma_ryan@sandwell.gov.uk">gemma_ryan@sandwell.gov.uk</a>

## **DECISION RECOMMENDATIONS**

### **That Cabinet:**

1. Authorises the Executive Director – Neighbourhoods to extend the negotiation period to agree the Sandwell Leisure Trust Business Plan 2018-2021 to 1<sup>st</sup> September 2019, in line with contract terms;
2. Authorises the Executive Director – Neighbourhoods to approve the Sandwell Leisure Trust Business Plan 2018-2021 and unitary payment for 2020-21.

## **1 PURPOSE OF THE REPORT**

The purpose of this report is to seek approval of the Sandwell Leisure Trust Business Plan 2018-2021.

## **2 IMPLICATIONS FOR THE COUNCIL'S VISION**

- 2.1 Agreement of the Sandwell Leisure Trust Business Plan 2018-2021 will ensure the sustainable delivery of leisure services in Sandwell for the next three years, providing local people with local opportunities to be active. This will contribute to ambitions 2 and 5 of Sandwell's Vision 2030.

## **3 BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 At the Cabinet meeting on 8 February 2017, the Sandwell Leisure Trust Business Plan 2017-2020 was approved (Minute No. 24/17 refers). This included agreement of unitary payments for 2017/18 (£2,990,000), 2018/19 (£2,742,000) and 2019/20 (£2,885,000). This report seeks further approval of the proposed unitary payment for 2020/21.
- 3.2 In 2018 the business plan negotiation process was extended, in line with the Management and Funding Agreement ('the contract') to allow further time for the agreement of the unitary payment for 2020/21. The reason for this extension was due to changes in timescales relating to the development of the new Sandwell Aquatics Centre in Smethwick. This impacted on the timing of related potential planned closures of other facilities operated by Sandwell Leisure Trust which has had an impact on the business plan.

## **4 THE CURRENT POSITION**

- 4.1 As part of the extended negotiation process, outlined above, a programme of meetings was arranged for representatives from both the Council and Sandwell Leisure Trust to discuss finances and proposed business plan in greater detail. Representatives from the Council included;
- Alison Knight (Executive Director – Neighbourhoods)
  - Alan Caddick (Director – Housing and Communities)
  - Darren Carter (Executive Director – Resources)
  - Dave Smith (Principal Accountant – Place)
  - Chris Jones (Commonwealth Games 2022 Aquatics Centre – Project Director)
  - Gemma Ryan (Business Manager – Sport & Leisure)
- 4.2 The business planning meetings affirmed the shared outcome of both parties to work towards a significantly reduced management fee via a long-term business planning approach. Both parties will continue hold regular joint business planning meetings to ensure the sustainable delivery of leisure services in Sandwell. The Cabinet shall be consulted on future progress of this approach.
- 4.3 To enable the successful agreement of Sandwell Leisure Trust Business plan and unitary payment for 2021/22 the extended timescales of 1<sup>st</sup> September 2019, allowed for in ‘the contract’, shall be utilised. A further Cabinet report shall be presented following the agreement of the Business plan for 2021/22 for approval.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 Council representatives, including the Executive Director for Neighbourhoods, Director for Housing and Communities, and portfolio holder, the Cabinet Member for Leisure have been consulted on the content of the Business Plan. The Executive Director for Resources and the principal accountant for this portfolio have also been consulted and have confirmed that the proposed Business Plan is accounted for within the Council’s budget for the next three financial years, 2018/19, 2019/20 and 2020/21.

## **6 ALTERNATIVE OPTIONS**

- 6.1 Not agreeing the business plan could have a detrimental impact upon Sandwell Leisure Trust and on the sustainable delivery of leisure services in Sandwell.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

- 7.1 Approval of the Sandwell Leisure Trust Business Plan 2018-2021 commits the Council to Sandwell Leisure Trust over the next three years. This is broken down as follows;

The unitary payments are included within the Council's budget projections for the next three years.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

The negotiations to reach agreement on the Business Plan have been conducted by officers in accordance with the provisions of the contract between the Council and Sandwell Leisure Trust.

## **9 EQUALITY IMPACT ASSESSMENT**

- 9.1 An equality impact assessment is not required.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

- 10.1 All information held for this work has been subject to the Council's Data Protection policy.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT.**

- 11.1 A crime and disorder risk assessment is not required.

## **12 SUSTAINABILITY OF PROPOSALS**

- 12.1 The proposals will confirm the delivery of Sandwell's leisure services for the next three years. This will allow time to agree a longer-term approach to business planning with Sandwell Leisure Trust and will enable the shared outcome of both parties to work towards a significantly reduced management fee to be achieved in the longer term.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

- 13.1 Participating in physical activity has significant health benefits, including reducing risk factors associated with cardiovascular disease, obesity, diabetes, many cancers, mental health and general well being. Sandwell Leisure Trust makes a significant contribution to health and well-being outcomes in the borough.

**14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 There is no impact on any council managed land or property.

**15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 Delegate authority to the Executive Director – Neighbourhoods to agree the Sandwell Leisure Trust Business Plan and unitary payment for 2020/21.

15.2 Delegate authority to the Executive Director – Neighbourhoods to extend the negotiation period to agree a Business Plan for 2021/2022 to 1<sup>st</sup> September 2019, in line with contract terms.

15.3 The above recommendations are in line with the business planning approach as set out in the contract with Sandwell Leisure Trust.

**16 BACKGROUND PAPERS**

16.1 Sandwell Leisure Trust Business Plan 2018-2021

**17 APPENDICES:**

Appendix 1 – Sandwell Leisure Trust Business Plan 2018-2021

**Alison Knight**  
**Executive Director – Neighbourhoods**