

AGENDA



CABINET

MONDAY, 6 OCTOBER 2014

11.00 AM

**COUNCIL CHAMBER - COUNCIL OFFICES, ST. PETER'S HILL,
GRANTHAM. NG31 6PZ**

Beverly Agass, Chief Executive

MEMBERS: Councillor Mrs. Linda Neal (Leader/Portfolio: Policy, Strategy and Strategic Partnerships), Councillor Paul Carpenter (Deputy Leader & Portfolio: Governance & Communication), Councillor Mrs Frances Cartwright (Portfolio: Grow the Economy and Economic Development), Councillor John Smith (Portfolio: Healthy Environment), Councillor Mike Taylor (Portfolio: Strategic Resources - Well Run Council), Councillor Terl Bryant (Portfolio: Good Housing) and Councillor Bob Adams (Portfolio: Arts and Leisure)

Committee Support Officer: Lucy Bonshor Tel: 91476 40 60 80 extn 61 20
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Members of the public are entitled to attend the meeting of the Cabinet at which key decisions will be taken on the issues listed on the following pages. Key decisions are marked *.

1. APOLOGIES

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2. MINUTES

3. DISCLOSURE OF INTERESTS (IF ANY)

4. *LEISURE MANAGEMENT CONTRACT - CONTRACT EXTENSION

Report LA004 from the Head of Community Assets and the Team Leader
Leisure and Amenities.

(Enclosure)

**5. MATTERS REFERRED TO CABINET BY THE COUNCIL, SCRUTINY
COMMITTEE OR THE POLICY DEVELOPMENT GROUPS**

**6. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY
AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.**

7. REPRESENTATIONS RECEIVED FROM NON CABINET MEMBERS

**8. ANY OTHER BUSINESS WHICH THE CHAIRMAN, BY REASON OF
SPECIAL CIRCUMSTANCES, DECIDES IS URGENT**



MEETING OF THE CABINET
1 SEPTEMBER 2014 - 11.00 AM – 11.14 AM

PRESENT:

Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor John Smith
Councillor Mike Taylor
Councillor Teri Bryant
Councillor Bob Adams

Councillor Mrs. Linda Neal - Chairman

Chief Executive (Beverly Agass)
Strategic Director Community & Environment (Tracey Blackwell)
Strategic Director Development & Growth (Steve Ingram)
Head of Finance/Deputy 151 Officer (Richard Wyles)
Head of Housing & Neighbourhoods (Ian Richardson)
Head of Legal & Democratic Services/Monitoring Officer (Lucy Youles)
Cabinet Support Officer (Lucy Bonshor)

Non-Cabinet Members : Councillor Nick Craft

CO16. MINUTES OF THE MEETING HELD ON 4 AUGUST 2014

The decisions from the meeting held on 4th August 2014 were agreed as a correct record.

CO17. DISCLOSURE OF INTERESTS (IF ANY)

None disclosed.

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CO18. HOUSING REVENUE ACCOUNT BUSINESS PLAN

Decision:

Cabinet approves the Housing Revenue Account Business Plan for 2014-2019 subject to minor amendments being agreed with the Portfolio Holder Good Housing and the Strategic Director for Community & Environment.

Considerations/reasons for decision:

- 1) Report H&N06/14 from the Head of Housing & Neighbourhoods.
- 2) The Housing Revenue Account (HRA) Business Plan (BP) sets out the Council's priorities for social housing and how these would be delivered and financed over a thirty year period.
- 3) The Plan sets out the key areas of focus for housing services and investment for the medium term whilst ensuring that sufficient revenue and capital resources were available to support long term investment in existing social housing stock and associated services.
- 4) This was the first HRA BP to be prepared since the HRA became 'self-financing' in April 2012; the net effect of the self-financing arrangement was beneficial to the Council with £8 million being available to spend during the 2018/19 period without recourse to re-financing of existing borrowing or utilization of further borrowing headroom.
- 5) The HRA Business Plan made a commitment to maximise investment in new housing; using reserves, capital receipts and borrowing capacity whilst maintaining a financially robust long term financial plan.
- 6) Consultation on the HRA BP had been carried out with the Resources PDG and also the Tenants' Service Review Groups.
- 7) The Business Plan was fully funded and predicated on a range of financial assumptions which would be kept under review.
- 8) The provision of a HRA BP was a requirement of s.88 of the Local Government Act 2003.
- 9) Comments made by the Head of Housing & Neighbourhoods on commending the HRA BP for approval.
- 10) Comments made by the Portfolio Holder for Good Housing also commending the HRA BP and the work undertaken by the Head of Housing & Neighbourhoods and his team in putting the plan together.
- 11) Comments made by the Strategic Director Community & Environment on the final format of the Business Plan.

Other Options Considered:

No other options were considered as the HRA Business Plan was central to the delivery of the Council's housing services.

DATE DECISIONS EFFECTIVE:

Decision CO18 as made on 1st September 2014 can be implemented on Wednesday 10th September 2014, unless subject to call-in by the Scrutiny

Committee Chairman or any five members of the Council from any political group.

**South Kesteven District Council, Council Offices, St. Peter's Hill, Grantham,
Lincolnshire NG31 6PZ**

**Contact: Cabinet Support Officer - Lucy Bonshor Tel: 01476 40 60 80 extn 6120
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This report contains an Appendix which is exempt by virtue of paragraph 3 of schedule 12A of the Local Government Act 1972

REPORT TO CABINET

REPORT OF: Paul Stokes - Head of Community Assets

Susie McCahon - Team Leader Leisure and Amenities

REPORT NO: LA0004

DATE: 6th October 2014

TITLE:	Leisure Management Contract – Contract Extension	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Key Decision	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Cllr Bob Adams Cabinet Portfolio Holder – Arts and Leisure	
CONTACT OFFICER:	Susie McCahon s.mccahon@southkesteven.gov.uk 01476 406423	
INITIAL IMPACT ANALYSIS: Equality and Diversity	Carried out and Referred to in paragraph (7) below n/a	Full impact assessment Required:
FREEDOM OF INFORMATION ACT:	This report, excluding Appendix A, is publicly available via the Your Council and Democracy link on the Council’s website: www.southkesteven.gov.uk Appendix A contains exempt information in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972. in that the report contains information relating to the financial or business affairs of the Council and a contractor	
BACKGROUND PAPERS		

1. RECOMMENDATIONS

The current contract with Leisure in the Community for the management of Grantham, Stamford, Bourne and Deeping Leisure Centres is due to expire on 3rd January 2016. It is recommended that Cabinet agree to extend the contract for a further five years from that date, to 4th January 2021.

2. PURPOSE OF THE REPORT

The contract for the provision of leisure management services commenced on 3 January 2011 for a 5 year period, with an option to extend for up to a further 5 years, ie to January 2021. The contract was awarded to Leisure in the Community (LiTC) an Industrial Provident Society (IPS) with charitable status. The management of the leisure centres is carried out at each site by 1Life Management Solutions (formerly known as Leisure Connection) as part of the Management Agreement and Collateral Warranty under a sub-contract.

The Council's leisure centres in the district play an important role in our communities by providing affordable leisure for our residents and visitors. The facilities are well used, the latest reports on visitor numbers to the four leisure centres show usage increased by 6% in 2013/14 compared with 2012/13.

Our leisure facilities are a key infrastructure for active and healthy lifestyles, providing a base for clubs and groups as well as casual users and families. Increasingly they also provide a hub for other community activities including cultural shows and events.

They play an important role in the delivery of our Cultural and Clean, Green and Healthy Strategies, and are also important in the delivery of our economic growth agenda, providing a broad and affordable leisure offer that encourages relocation into the District.

Officers have recently been exploring options for the delivery of leisure management post 2016 with leisure providers, including LiTC, industry experts and neighbouring authorities.

3. DETAILS OF REPORT

Throughout the last few months, discussions have been held with LiTC regarding various options to extend the current contract. An extension would have no impact on the contract specification and the Council will continue to be able to monitor standards and service delivery including the issuing of rectifications and performance notices in the same way as is carried out at present. There will be no changes to service standards that the contractor is expected to achieve.

The utility benchmark price contained within Section 13 of the contract documentation will be adjusted to reflect current utility prices and consumption.

The Council will continue to discuss options for capital investment in the leisure centres which may bring higher usage of the facilities with associated increase in levels of income. Any contract extension does not depend on capital investment being made by the Council.

The current Leisure Management Contract allows for an extension period of up to five years from the date of expiration, to 4th January 2021. Details of changes to fees and payments are included in the exempt Appendix A attached.

4. OTHER OPTIONS CONSIDERED

A shorter term extension was considered but this would carry less benefit to the Council. Also the opportunity to carry out a procurement exercise was also reviewed in some detail but the option to extend for 5 years allows the Council to review its on-going provision of leisure facilities over the next few years before tying into a long term contract.

5. RESOURCE IMPLICATIONS

Financial resource implications are contained within Appendix A which contains exempt information in accordance with paragraph 3, and 8 of Schedule 12A of the Local Government Act 1972. in that the report contains information relating to the financial or business affairs of the Council and a contractor and is subject to an obligation of confidentiality.

There are no other resource implications in terms of people or property.

6. RISK AND MITIGATION

Risk has been considered as part of this report and there are no specific high risks which have been identified.

7. ISSUES ARISING FROM IMPACT ANALYSIS

n/a

8. CRIME AND DISORDER IMPLICATIONS

n/a

9. COMMENTS OF FINANCIAL SERVICES

There are positive financial implications arising from the proposed five year contract extension and these are detailed in the attached Appendix.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The original contract for the provision of leisure management services was tendered in accordance with the Council's Contract and Procurement Procedure Rules and the Public Contract Regulations 2006 prior to the commencement of the existing contract in 2011. The specification for the service included the provision for the contract to expire on the date 5 years after the commencement date of the 3rd January 2011 or, subject to the agreement of both parties, 10 years after that commencement date. The ability to extend requires the agreement of Leisure in the Community.

11. COMMENTS OF OTHER RELEVANT SERVICES

12. APPENDICES:

- **Appendix A – Fees and Payments – Exempt**
NB: Appendix A contains exempt information in accordance with paragraph 3 of Schedule 12A of the Local Government Act 1972 in that the report contains information relating to the financial or business affairs of the Council and a contractor.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted