

EAST DEVON DISTRICT COUNCIL

Confidential notes of a Meeting of the Leisure East Devon Joint Working Group held at Knowle, Sidmouth on 14 October 2014

Present:

Councillors:

Tim Wood
Dave Chapman
Tony Howard
Geoff Pook

Also Present

Councillor:

David Cox

Officers:

Mark Williams – Chief Executive
Simon Davey – Strategic Lead - Finance
John Golding – Strategic Lead – Housing& Environment
Chris Lane – Democratic Services Officer
Peter Gilpin – Chief Executive, LED

Apologies

Councillor
Pat Graham

Richard Cohen
Nigel Halford - Chairman of LED Board

The meeting started at 4.30pm and ended at 5.50 pm.

1 Minutes of meeting held on 11 June 2014

The minutes of the meeting held on 11 June 2014 were noted.

2 To note the scope and terms of reference of the Joint Working Group

The following terms of reference had been previously agreed:

- To recommend a new or revised strategy for the LED funding agreement for the period 2015 – 2020.
- To make recommendations regarding the future leisure provision (including dual-use) within East Devon.
- To consider the advantages and disadvantages, and make recommendations, in respect LED taking on the management of the Council's three main cultural facilities (Exmouth Pavilion, Sidmouth Manor Pavilion and the Thelma Hulbert Gallery).

- To consider LED's contribution towards the Council's priorities including the health and well being agenda; public health priorities; regeneration schemes; Cranbrook; green infrastructure and tourism.

3 **Matters Arising**

Thelma Hulbert Gallery

Members noted that the LED Board had considered whether it should take on the running of the Thelma Hulbert Gallery and had decided against it. LED had looked carefully at the business plan and there had been concerns at the overreliance on grant funding. LED was also in the process of developing other projects that would take a lot of their time and finance.

Peter Gilpin, LED Chief Executive raised the issue of the part time Arts Development Officer post, which had yet to be filled and whether it would be more beneficial to divert funding to make this post full time to assist the arts in the whole of East Devon.

Mark Williams reported that the Gallery was still awaiting a decision on the grant applications and also it was important for John Golding, Strategic Lead – Housing & Environment to be given time to review the revised structure for the Thelma Hulbert Gallery. A report would be referred to Cabinet when the results of the grant applications were known.

4 **Shared health and well being aspirations**

It was noted that John Golding, Strategic Lead – Housing & Environment, was continuing to pursue this matter and would report to a future meeting.

5 **Information:**

a) Subsidy and participation

Peter Gilpin, LED Chief Executive, reported that all facilities were performing well with increased attendance and revenue. The level of subsidy continued to reduce and there were a number of strategies in place to improve performance further. The main strategy was the refurbishment of Exmouth Leisure Centre; phase one of which was costing £1.85m, paid for through a Public Works Loan.

LED was also extending the gym facilities at Honiton and this had opened a couple of weeks ago. Negotiations had almost been completed to finalise a lease with Ocean Blue, although there continued to be some issues to overcome - it was anticipated that the lease would be signed at the end of the month. The new bar at Exmouth Pavilion had been completed and would be opening that evening. LED were also close to agreeing heads of terms with Axminster Tools for a gym at the Grove Nite Club site in Seaton.

5 **Information:(cont)**a) Subsidy and participation (cont)

It was suggested that the issue of the managed retreat from some of LED's less profitable facilities be discussed at a future meeting of the Working Group.

Councillor Tim Wood, Chairman of the Working Group asked if there were any opportunities to reduce the costs associated with swimming pools. Mr Gilpin replied that swimming pools were very staff and energy intensive. The latest energy saving techniques were being introduced to LED's pools in East Devon and every opportunity was taken to save energy. However it was thought that there was little prospect of any substantial savings on LED swimming pools.

The issue of the swimming pool provision for Cranbrook was raised and the possibility of a Health & Fitness studio. Particularly relevant as house sales had been better than expected and it was anticipated that the consortium of developers would propose increasing the number of homes at Cranbrook to 7,500.

b) Income and expenditure for the swimming pools in various parts of the district, for the Exmouth Tennis Centre and for the Exmouth Pavilion and its scope for reduction in costs

Councillor Tim Wood, Chairman of the Working Group asked if there were any opportunities to reduce the costs associated with Phear Park and the Exmouth Tennis Centre. Peter Gilpin, LED Chief Executive reported that the Tennis Centre was doing well and the recently introduced gym facilities were subsidising the tennis facilities, which, due to nature of the occupation of the space would continue to need subsidising. The subsidy for the Tennis Centre had reduced considerably in recent years; Mr Gilpin considered that there was not much more capacity to reduce costs further. There was also limited car parking on site.

The Working Group discussed the opportunities for LED to improve health and fitness facilities in areas such as Sidmouth and Axminster - not necessarily in the current facilities. LED was also successfully running some of South Somerset District Councils facilities which were generating a surplus. The potential to help with some of Teignbridge District Councils leisure facilities, was also discussed.

Members then discussed the tendering process for LED works and procurement and if councils were getting the best value from contractors or whether contractors added on percentage points when tendering for a council. Would LED like to be in charge of the tendering process for its contracts? Peter Gilpin, LED Chief Executive said that this would need to be looked at as, unlike EDDC, LED did not necessarily have the required staff skill sets. EDDC's Property Services was given as an example.

c) The number of people attending the centres and user satisfaction

Peter Gilpin, LED Chief Executive, reported that LED was introducing various user satisfaction strategies and also using social media to undertake analysis to shape how the Leisure Centres went forward.

d) The maintenance agreement with LED and EDDC for these centres

Members noted that although EDDC bureaucracy could be an issue in getting some of the minor maintenance jobs carried out; this was not normally a major concern. LED was happy with the list of landlord/LED responsibilities for properties.

RECOMMENDED that the potential for LED to look into appointing a small maintenance team to undertake minor maintenance works to its properties in areas such as Exmouth be investigated.

e) The timetable and negotiation of the contract with LED

Peter Gilpin, LED Chief Executive reported that in order to reduce the subsidy EDDC paid to LED, he was looking at areas to increase income. Potential areas were the lease for Ocean Blue and managing other District Councils leisure assets. Investigations had also been undertaken to find greater savings from the dual use Centres.

LED was still working towards the 25% reduction in subsidy under the current SLA, however Peter Gilpin did not see that a similar reduction in subsidy in the new SLA starting on the 1 January 2016 was possible. Members discussed a profit share with LED as a possible way of reducing the amount of money EDDC spent on leisure facilities.

RECOMMENDED that EDDC model a couple of financial scenarios for the LED subsidy, including a standstill scenario and also for a reduction of 5% per year, with LED being invited to comment on these scenarios.

6 **Grounds Maintenance Costs**

It was agreed that Grounds Maintenance costs should be reviewed at the next meeting of the Working Group. Also to look at the legal position regarding dual use centres and the possibility of LED strategically withdrawing from these centres.

7 **Next meeting**

RESOLVED that the next meeting, to be held on Tuesday 25 November 2014 at 4.30pm in Room 1.