

**Report of: Director of City Development**

**Report to: Executive Board**

**Date: 17 October 2012**

**Subject: Garforth Leisure Centre**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Garforth & Swillington	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. Full Council has previously resolved that officers pursue a community asset transfer of Garforth Leisure Centre to the Schools Partnership Trust (SPT), giving the Director of City Development authority to approve the transfer subject to a satisfactory business plan being submitted by SPT.
2. Full Council had also agreed that the centres' hours be reduced from 103 hours to 31 whilst the transfer was pursued, however funding was provided by area committee initially to support additional hours, allowing the centre to open for 58.5 hours.
3. The ongoing discussions with the Schools Partnership Trust has provided the opportunity for the Council to review the operational performance of Garforth Leisure Centre and learn valuable lessons for the future about the Community Asset Transfer process. The leisure centre is now operating on a more financially sustainable basis on the extended 58.5 hours, and therefore there is an opportunity to reconsider the original Full Council decision to work with the School Partnership Trust to explore the development of a community asset transfer proposal.

## **Recommendations**

4. Executive Board is requested to approve the following:
  - (i) That the further work proposed to explore a community asset transfer of Garforth Leisure Centre to the School Partnership Trust be discontinued
  - (ii) That the Garforth Leisure centre be retained under Council management on 58.5 hours per week.
  - (iii) That the Council seeks to enter into partnership with the Schools Partnership Trust (and other interested parties) with the aim of seeking to extend the opening hours beyond 58.5 hours.

## **1 Purpose of this report**

- 1.1 To outline the current position in relation to full council resolution (of 30/03/11) that officers explore a community asset transfer (CAT) of Garforth Leisure Centre to the Schools Partnership Trust (SPT).
- 1.2 To make new proposals based on the status of the community asset transfer process and the current operational performance of Garforth Leisure Centre.

## **2 Background information**

- 2.1 As was reported to the Executive Board in September the Sport and Active Lifestyles Service has made some excellent progress in meeting major budget challenges whilst at the same time attempting to maintain the number of visits to its leisure centres. Between 2010/11 and 2011/12 the service has managed to realise savings amounting to £2million whilst at the same time maintaining a high quality service, illustrated in part by the fact that visits to all leisure centres during that period marginally increased from 4.199m to 4.207m per annum..
- 2.2 Executive Board will recall that as part of a range of the original budget saving measures, Full Council (on 23/02/11) approved that the opening hours of Garforth Leisure centre be reduced to 31 hours and that officers should explore the option of a community asset transfer to the School Partnerships Trust. This was to be one of the first Community Asset transfers that the Council would consider, reflecting the Councils ambition to explore alternative ways of maintaining services to the public within increasingly challenging budget conditions.
- 2.3 Garforth Leisure centre is a “dry site” i.e. it does not have a swimming pool, with the nearest swimming pool being located at Kippax Leisure centre a few miles away. The centre contains a sports hall, bar and catering area as well as a Bodyline Gym and a number of squash courts. It hosts a range of different activities both sporting and non-sporting and also includes Scribblers nursery/playgroup.
- 2.4 Since the resolution of Council, the Sport and Active Lifestyles Service has been working extremely hard to ensure that the leisure centre meets its budget targets as well as attempting to offer a reasonable level of service whilst the community asset transfer was explored with officers from the SPT. Area Committee agreed to provide some initial funding to support additional hours. This funding allowed officers to increase hours from 31 to 58.5, enabling the centre to open on the most popular public sessions. The funding was provided on the understanding that the community asset transfer process would be implemented relatively swiftly. The current opening hours are outlined below;
  - 1. Monday and Wednesdays 08.30-22.00
  - 2. Tuesdays and Thursdays 16.00-22.00\*
  - 3. Friday 08.30-20.00
  - 4. Saturday 09.00- 13.00

5. Sunday 10.00- 14.00

\* local group opens the centre in the mornings

2.5 Discussions with SPT have been ongoing in order to help them provide a satisfactory business plan to the Council. The process has highlighted a number of complex issues that would need to be resolved, including how to deal with the large number of card based memberships. It has also provided opportunities for the Council to learn from the Community Asset Transfer process. Officers are aware that discussions between SPT and other interested partners have been held and site visits have been made over the past 6 months as SPT explored ways of providing a financially sustainable public offer

2.6 When the Area Committee funding for additional hours expired, City Development Directorate continued to meet the additional costs, however it should be noted that the financial performance of the leisure centre has improved significantly during the last 6 months.

### **3 Main issues**

3.1 The operating position of Garforth Leisure Centre has remained under constant review by the Sport and Active Lifestyles Service in order to keep costs low and maintain throughput and income. This has been considered vitally important to ensure that in the event of a Community asset transfer proceeding the existing customer base should be maintained throughout the potential transfer period, in order to give SPT the best possible chance of success. The service has successfully managed this process despite there being a major staff restructure exercise during the latter part of 2011 and early 2012 as well as the uncertainty that the Community asset transfer process generated for the staff based at Garforth Leisure centre. Despite this challenging position the operating performance has improved considerably and based on 58.5 hours of opening the leisure centre is performing financially better than the savings originally projected to be achieved within the original full council budget paper. The leisure centre's net cost has now reduced to nearly breakeven ( although some additional staffing would be required should the 58.5 hours be made permanent). This compares to 2010/11 net operating costs of £227,000 (based on 103 hours) and 2011/12 forecast net operating costs of approximately £24,000 (based on 31 hours from).

3.2 This is mainly due to:

1. Implementation of a service wide staff restructure
2. A review of the programme of activities and when best to open the site based on the 58.5 hours
3. Working in partnership with on site groups e.g. scribblers playgroup
4. Increasing the number of users in the hours open (currently 2100 per week).

3.3 Ongoing discussions with SPT have continued to show that they remain interested in operating the leisure centre, and officers understand that they have been exploring a partnership with a local third sector organisation/squash club. The

length of time taken for SPT to develop detailed proposals has been a valuable learning point.

- 3.4 Given the improved operating performance of the leisure centre and the potential to still work in a form of partnership with the SPT (and other partners) it is proposed that the original policy decision to consider a Community Asset Transfer should be reconsidered.
- 3.5 By now not pursuing a Community Asset Transfer and retaining the service in house the council will be able to offer continuity in the service offer and importantly be able to continue to offer the Bodyline product to customers, an area that potentially presented some practical concerns in terms of the impact of a community asset transfer. Again another useful learning point.
- 3.6 Officers have considered a number of options, namely;
1. Continue pursuing a community asset transfer with the schools partnership Trust
  2. Seek expressions of interest from another interested party as part of a community asset transfer
  3. For the Council to retain ownership, retain the Bodyline offer and core hours and offer the Schools Partnership Trust (and other interested parties) the opportunity to work in partnership with the Council, potentially hiring space and/or opening up currently closed hours.
- 3.7 The preferred option is option 3, namely;

The Council operates at 58.5 hours and seeks to develop further its partnership with SPT and any other interested stakeholders. This model could allow a further extension of hours should the terms of the partnership be financially viable.

- 3.8 Given the above options it is therefore proposed that rather than explore a community asset transfer, the council instead seeks retains control based on 58.5 hours of public opening (plus access as agreed with the playgroup). The Council will then offer to work with the SPT (and other interested parties) to discuss a potential partnership with the council that also seeks to provide additional hours to the public over and above the current 58.5 hours. This option is preferred on the basis that the original financial pressures have been addressed through the efficiencies introduced by the service and further partnership working can be achieved outside of progressing a community asset transfer.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Ward members have been consulted regarding the decision and have shown support for option 3. They have also asked that partnerships with additional stakeholders are explored that may provide additional hours for the site.

- 4.1.2 Unions have been engaged throughout the transfer negotiations and been made aware of the decision and have voiced no concerns.
- 4.1.3 Leisure Centre Staff have been updated throughout the transfer process and have been met by managers to discuss this proposal. Again, they have voiced no concerns.
- 4.1.4 Stakeholders and users of the leisure centre have been consulted both before transfer negotiations and through the process. The main affected group was Scribblers playgroups, who were at risk of losing their time with the hours being reduced. Following negotiations with the Centre Managers, they are now keyholders and have retained their original timeslot. This will be unaffected by the decision.

## **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 An Equality Impact Assessment was completed in March 2011. This covered both the reduction in hours and the possibility of a transfer.
- 4.2.2 The conclusions regarding reduced hours from the original EIA included:
- The initial reduction in hours, although not ideal, still ensures continuity of service at the site for all users.
  - The reduction in hours that is proposed for the interim period until the trust takes over is seen as a closure by stealth and will always cause some groups to be displaced
  - Local people should be kept informed of progress

These points remain unchanged. Therefore, a screening form has been completed to accompany this report which proposes permanent reduced hours (noting these are at 58.5 hours, not the 31 proposed with the original EIA)

## **4.3 Council policies and City Priorities**

- 4.3.1 City Development has as a priority to “Develop the city’s cultural events and facilities including changes to sports centres and libraries”, and a key performance measure is “To maintain visits to sports centres”. This report directly addresses these priorities.
- 4.3.2 The overarching vision for 2030 is that Leeds will be the best city in the UK. This means all Leeds’ communities will be successful, including those who are currently less active and suffer poorer healthy life expectancy. The provision of Garforth Leisure centre and increasing the hours of operation permanently to 58.5 hours supports this goal.

## **4.4 Resources and value for money**

- 4.4.1 The controllable revenue budget for Sport & Active Lifestyles is now £6.2 million a year; net expenditure having been reduced by £2 million in 2011/12. Careful management and timing meant that visits to council leisure centres actually increased slightly in 2011/12 compared to 2010/11, as customers switched to

newly opened facilities at Armley and Morley and adapted positively to reduced hours at Garforth, Bramley and Middleton.

- 4.4.2 Average net cost per visit to council leisure centres fell from £1.34 in 2010/11 to £1.07 in 2011/12. Leeds has the third lowest cost of sport per head of population of the 8 core cities of England (CIPFA\Resources Directorate July 2012), with the best / highest level of adult participation (Sport England 22nd June 2012).
- 4.4.3 The impacts of permanently increasing the hours at Garforth to 58.5 hours are forecast to be £24k per annum, allowing for some adjustments for staff costs. . The financial implications are therefore in line with existing budget provision and at a level equivalent to the original financial estimates forecasted for opening for 31 hours per week. Some repair and maintenance spending will be required given minimal levels have been allocated in recent months. The centre is generally in reasonable condition but requires some customer facing improvements.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 Sport is a discretionary, rather than a statutory, service of the council.
- 4.5.2 This report has no confidential elements and it is open to call-In.

#### **4.6 Risk Management**

- 4.6.1 The proposals are considered low risk. The Sport budget as a whole continues to be exposed to the impact of customer demand on income generation and therefore the service has to be responsive to the interrelationship between the quality and range of leisure centres, the activities available and the price that people are prepared to pay. The service mitigates this risk through market insight and constant monitoring of trends.
- 4.6.2 As reported to Executive Board in September, further investigations are to be carried out relating to links to public health which will include further investigations into the Be Active scheme in Birmingham which aims to boost levels of physical activity by groups who traditionally don't take part in sport or fitness related activity. If adopted such an approach could reinforce the role of leisure centres in their communities, potentially redefining their role and securing their future viability.

### **5 Conclusions**

- 5.1 As time has progressed the operational performance of Garforth Leisure centre has improved to such an extent that the council can now afford to operate the leisure centre itself without seeking to transfer to the Schools Partnership Trust under a community asset transfer. The Council will continue to work with the Schools Partnership Trust in an effort to explore ways to enhance where possible both the operational performance and the public hours available at the centre.
- 5.2 The lessons learned during the proposed Community Asset Transfer will be taken on board in any future plans both within the service and the Council.

## **6. Recommendations**

Executive Board is requested to approve the following:

- (i) That the proposal to explore the potential of a community asset transfer of Garforth Leisure Centre to the School Partnership Trust be discontinued.
- (ii) That the Garforth Leisure Centre be retained under Council management on 58.5 hours per week.
- (iii) That the Council seeks to enter into partnership with the School Partnership Trust (and other interested parties) with the aim of seeking to extend the opening hours beyond 58.5 hours.

## **7. Background documents<sup>1</sup>**

7.1 There are no relevant Background Documents associated with this report.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.