



Joint Management Committee

Secretary to the Committee

Frank McArdle

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Centre Manager

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Our Ref:

Date: 12 January 2018

Dear Councillor,

Etwall Leisure Centre Joint Management Committee

A Meeting of the **Etwall Leisure Centre Joint Management Committee** will be held at **John Port School**, on **Monday, 22 January 2018 at 17:00**. You are requested to attend.

Yours faithfully,

A handwritten signature in black ink that reads 'Frank McArdle'.

Secretary to the Joint Management Committee

To: **Representatives of South Derbyshire District Council**
Conservative Group
Councillor Mrs Plenderleith (Chairman) and Councillor Billings

Labour Group
Councillor Shepherd

Representative of Governors of Etwall John Port School
Mrs K Squires

Representative of Derbyshire County Council
Councillor Mrs Chilton

AGENDA

Open to Public and Press

- 1** Apologies and to note any Substitutes appointed for the Meeting.
- 2** Appointment of Vice-Chairman
- 3** To receive the Open Minutes of the following Meeting:-

Etwall Joint Management Committee 27th September 2017 Open Minutes **3 - 6**
- 4** To note any declarations of interest arising from any items on the Agenda
- 5** INCOME & EXPENDITURE 2017-18 and PROPOSED BASE BUDGET 2018-19 **7 - 9**
- 6** ACTIVE NATION PERFORMANCE REPORT (Verbal report)
- 7** SCHOOL UPDATE (Verbal report)

Exclusion of the Public and Press:

- 8** The Chairman may therefore move:-

That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.

ETWALL LEISURE CENTRE JOINT MANAGEMENT COMMITTEE

27th September 2017

PRESENT:-

Representatives of South Derbyshire District Council

Conservative Group

Councillor Mrs A Plenderleith and Councillor A Billings

Labour Group

Councillor D Shepherd

Officers

K Stackhouse (Director of Finance and Corporate Services), M Roseburgh (Cultural Services Manager) and C Tyler (Democratic Services Officer)

Representatives of Etwall John Port School

Governing Body

C Edwards – Finance Governor

Officer

M Walker-Endsor – School Business Manager

Representatives of Active Nation

J Dobson and H Warren

EL/1

APPOINTMENT OF CHAIRMAN

RESOLVED:-

Nominations for the position of Chairman were requested.

RESOLVED:-

That Councillor Mrs Plenderleith be appointed Chairman for the period ending July 2018.

Councillor Billings joined the meeting at 5.05pm.

EL/2

APPOINTMENT OF VICE-CHAIRMAN

The Chairman proposed that this matter be deferred due to the current transitional situation at the school.

RESOLVED:-

That the Appointment of Vice-Chairman be deferred to a later meeting.

EL/3 **APOLOGIES**

Apologies for absence from the Meeting were received from Derbyshire County Councillor Mrs L Chilton.

EL/4 **MINUTES**

The Open Minutes of the Meetings held on 9th January 2017 and 16th May 2017 were noted, approved as a true record and signed by the Chairman.

EL/5 **DECLARATIONS OF INTEREST**

The Committee was informed that no declarations of interest had been received.

EL/6 **ACTIVE NATION PERFORMANCE REPORT – VERBAL REPORT**

J Dobson presented the performance review of Etwall Leisure Centre, making particular reference to the following items;

Supporter Base Performance

- Actual monthly between April 2017 and August 2017 ranged from 40,080 to 43,867, the latter figure achieved in August, with further information provided giving breakdowns by activity type across all centre facilities and in particular the Sports Hall.
- Total annual visits had risen from 320k in 2011/12 to 425k in 2016/17.
- A breakdown giving the postcode location of supporters was also supplied, showing that the majority of users live in the immediate local area.

Good News Stories

- Increased participation levels, year to date stand at 42,441.
- 300 children took part in the Multisport half term holiday camp.
- 40 children took part in the Soccer Stars half term holiday camp, with Will Hughes in attendance from Derby County Football Club.
- Level 1 FA Football coaching course held.
- New 'Born to Move' exercise class launched for children aged 12-16.
- CAP2 launched for swim lesson feedback with positive growth on swim lessons of 1,403 children.
- Works completed on the plant room on the pool pumps and an order for the new pool cover is imminent.
- Melbourne class timetable performing well.
- Net Promotor Score currently 58 (target 40).
- Phase 1 of new wi-fi and IT systems being installed in site.
- New signage ordered for the site (overflow car park and main signs).
- Social Media – Facebook, Twitter and Website increased localised usage.
- Saturday Night Project: 50 children per weekend attending.
- 3g pitch usage – 26,471 users year to date.
- National Fitness Day 27th September 2017 – free activities and challenges.
- Discovery weekends planned for 14th & 15th October 2017.
- Derby Triathlon event attracted 500 participants.

The Chairman queried the additional growth recorded in August 2017. The Centre Manager stated that increases had been achieved via extra exercise

provision being put in place during this school holiday month. The Chairman also noted that the user postcode figures appeared to disprove the perception that large numbers of Derby dwellers had taken up usage of the centre following the closure of facilities in the City.

The School Governor noted the impressive growth in user numbers, but queried what scope there was for further expansion. The Centre Manager stated that whilst catering for demand in certain areas such as swimming was challenging, there was still some scope for additional capacity in the use of the gym, 3g pitches and sports hall, with the centre overall running at around 90% capacity. Car parking had been identified as an issue, addressed by way of the overflow car park.

The Director queried whether customer feedback was still retained in report form. The Centre Manager confirmed that customer feedback was gained via forms on site and electronically via the website. Summary reports to be provided at future meetings.

RESOLVED:-

The Committee considered and noted the points made in the presentation.

EL/7

FINAL ACCOUNTS 2016/17

The Director of Finance and Corporate Services presented the report to Committee, stating that as the previous JMC meeting had been cancelled, the accounts had been audited in the meantime. Particular attention was drawn to the Sinking and Decommissioning Funds, the withdrawal of County Council funding from 2018/19 and the release of the Pension Fund sums, previously set aside to cater for any liability for the 2011/12 TUPE arrangements.

The Chairman queried whether there was any risk still attached to the 2011/12 TUPE arrangements. The Director confirmed that there was none, hence the ability to free up the contents of the Pension Fund for transfer into the Sinking Fund.

Councillor Billings queried, in relation to the County Council funding withdrawal issue, whether it was worth contacting County Hall to clarify if this was still their stance following the recent change in controlling group there. The Director undertook to contact the County Council.

RESOLVED:-

The Committee considered and approved the Final Accounts for 2016/2017.

EL/8

REPAIRS AND MAINTENANCE – LIFECYCLE COSTING

The Cultural Services Manager presented the report to Committee, highlighting the various costings and options. It was suggested that this become an annual report, tied into the budget setting meeting each January, to better inform the Revenue and Capital Fund setting process. The School Governor noted that whilst the Sinking Fund had originally been set up to cover both capital

expenditure and emergencies, with the latter element less prevalent of late, it was heartening to note that more was now being spent on maintenance to reduce the likelihood of breakdowns.

RESOLVED:-

1.1 Members considered and noted the content and findings of the Etwall Leisure Centre Repairs and Maintenance Lifecycle Costing Exercise.

1.2 Members considered the options for managing the budget in relation to repairs and maintenance.

1.3 Members approved that £28,714 originally set aside for the Pension Fund, but no longer required for that purpose, be transferred to the sinking fund and therefore be available to replace major items of plant and equipment.

EL/9

SCHOOL UPDATE

The School Business Manager and Governor provided an update on the current situation at the school, in that the Spencer Academy Trust had completed a due diligence exercise and had unofficially, to date, accepted the proposal to take on management of John Port School. The 2017/18 Budget is and will remain in place and it was noted that the Trust values the leisure centre highly. Whilst the official transfer to the Trust was originally scheduled for January 2018, this may now occur in April 2018, requiring a new JMC Agreement and a likely change in school governors.

RESOLVED:-

Members noted the information provided.

The meeting terminated at 5:40pm.

COUNCILLOR MRS A PLENDERLEITH

CHAIRMAN

REPORT TO:	ETWALL LEISURE CENTRE JOINT MANAGEMENT COMMITTEE	AGENDA ITEM: 5
DATE OF MEETING:	22nd JANUARY 2018	CATEGORY: RECOMMENDED
REPORT FROM:	TREASURER TO THE JOINT COMMITTEE	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) Kevin.stackhouse@south-derbys.gov.uk	
SUBJECT:	INCOME & EXPENDITURE 2017/18 and PROPOSED BASE BUDGET 2018/19	REF: u/ks/livefiles/etwalljmc/budget reports/2017 budget report Jan 18
WARD(S) AFFECTED:	ETWALL, HATTON, HILTON, NORTH WEST, REPTON & WILLINGTON	

1.0 Recommendations

- 1.1 That the projected out-turn for 2017/18 and the proposed estimates of income and expenditure for 2018/19 are approved.

2.0 Purpose of Report

- 2.1 To provide an update on the Leisure Centre's financial position for the current financial year 2017/18 against the approved budget, together with the proposed estimates of income and expenditure for 2018/19.

3.0 Detail

- 3.1 **Appendix 1** details the costs associated with the day-to-day operation of the Centre. The main cost for the Leisure Centre is the payment to Active Nation in accordance with the Contract to subsidise the Facility.
- 3.2 The net expenditure of the Centre is financed by the District Council and the School in the proportion of 62% and 38% respectively.
- 3.3 The Appendix details the current year's budget for 2017/18, together with the projected out-turn against this budget and the proposed budget for 2018/19. For comparison purposes, the previous two years' actual figures are also shown.

Summary Position

- 3.4 Overall net expenditure in 2017/18 is projected to out-turn approximately £4,000 greater than budgeted. This is due to a greater level of repairs and maintenance over that budgeted and in particular repairs to the Flue. Some of this increase has been offset by a reduction in the contribution required towards utility costs.
- 3.5 The proposed budget for 2018/19 includes an increase for repairs and maintenance. This is in accordance with the schedule reported to the Committee in September 2017. The proposed budget for utility costs is a provision and should be lower when compared to previous years' actuals.
- 3.6 Overall, the net cost of the Centre will increase in 2018/19. This is due to the contribution from the County Council being fully withdrawn from April 2018. The full contribution of £32,000 per year was reduced by a 1/3 in 2017/18 as part of a phased reduction in the contribution as previously reported to the Committee in 2016.
- 3.7 The County Council's contribution was aimed at helping to increase physical participation in young people. The County Council decided that from April 2017 that they were unable to continue to provide this discretionary funding due to budget pressures.
- 3.8 Overall, the net cost and contributions are summarised in the following table.

	Actual 2015/16 £	Actual 2016/17 £	Budget 2017/18 £	Projected 2017/18 £	Estimate 2018/19 £
South Derbyshire District Council (62%)	72,139	35,905	48,740	51,425	66,713
John Port School (38%)	44,214	22,006	29,873	31,518	40,888
Net Cost	116,353	57,911	78,613	82,943	107,601

Sinking Fund and Decommissioning Provision

- 3.10 As part of the costs associated with the Leisure Centre, an annual contribution of £25,000 is made to a Sinking Fund to finance replacements of major items of plant and equipment. A contribution of £5,000 per year is also made to a Decommissioning Fund.
- 3.11 As at 31st March 2017, the balance on the Sinking Fund was £64,841, with £15,000 in the Decommissioning provision. Annual contributions are included in the Budget.
- 3.12 The contributions in 2017/18 will increase the balances to £89,841 and £20,000 respectively and to £114,841 and £25,000 respectively in 2018/19, if they are not utilised.

APPENDIX 1

Etwall Leisure Centre - Income and Expenditure	Actual	Actual	Budget	Projected	Proposed
	2015/16	2016/17	2017/18	2017/18	Budget
	£	£	£	£	£
Repairs and Maintenance	17,039	8,681	11,500	20,000	16,500
Supplies and Services	2,353	0	0	1,336	
Contribution to Utility Costs (Gas and Electricity)	7,596	3,075	8,269	3,120	10,000
Contribution to Sinking Fund	25,000	25,000	25,000	25,000	25,000
Contribution to Decommissioning Costs	5,000	5,000	5,000	5,000	5,000
Main Contractor Payment	63,051	31,625	31,625	32,292	31,200
Central Support / Overheads	20,822	21,165	19,901	19,901	19,901
Other Maintenance Costs - JPS	22,837	0	0	0	0
Gross Expenditure	163,698	94,546	101,295	106,649	107,601
Less Income Contributions					
County Council	-38,976	-34,773	-22,682	-22,682	0
Less - Share of Café Turnover	-2,000	-1,862	0	-1,024	0
Less - Share of Artificial Grass Pitch Surplus	-6,369	0	0	0	0
NET EXPENDITURE	116,353	57,911	78,613	82,943	107,601
	Actual	Actual	Budget	Projected	Estimate
	2015/16	2016/17	2017/18	2017/18	2018/19
	£	£	£	£	£
Shared					
South Derbyshire District Council (62%)	72,139	35,905	48,740	51,425	66,713
John Port School (38%)	44,214	22,006	29,873	31,518	40,888
	116,353	57,911	78,613	82,943	107,601