

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of LED Monitoring Forum held at Online via Zoom app on 18 October 2022

Attendance list at end of document

The meeting started at 10.00 am and ended at 12.32 pm

12 Public Speaking

The following question was read out on behalf of Miss N Ashton:

Why does Ocean – funded by council tax payers via LED – get away with not allowing people in to use their toilets and having a door guard on the door? This is not a good look.

The Ocean General Manager responded that due to the size of the operation and in response to the pandemic, Ocean had introduced a welcome post to greet guests and direct them to where they were heading or answer any questions. Ocean is a commercial operation and the toilets are for use by patrons of the building. The team make sensible decisions based on the person in front of them, allowing for disabilities, children and pregnant women, however the majority of the public are content with using public toilets which are thirty yards away from the Ocean building. He added that the costs of opening up the toilets to the wider public would run into thousands.

The Chair added that the Ocean staff do not act as door guards, and Ocean is not funded by the tax payer. Its purpose is to generate a profit for the parent charity of LED.

13 Minutes of the previous meeting held on 7 June 2022

Minutes of the previous meeting held on 7 June 2022 were noted as a true and accurate record.

14 Declarations of interest

Cllr P Arnott: Minute 24: Affects Non-Registerable Interest: District ward member for Coly Valley and Colyton Parish Councillor.

Cllr A Dent: Minutes 17 – 25; Affects Non-Registerable Interest: Member of LED Community Leisure as a service user.

Cllr P Millar: Minutes 17 – 25; Affects Non-Registerable Interest: Member of LED Community Leisure as a service user.

15 Matters of urgency

There was one matter of urgency (minute 24 refers).

16 Confidential/exempt item(s)

There was one item to be considered in private session (minute 25 refers).

17 LED Facilities and Activities Update

The LED Director of Delivery introduced the Facilities and Activities update report and invited questions.

The following points were made in discussion:

- The Big Week initiative was a success and the LED team proactively follow up with people to encourage them to join or use the facilities on a pay and play basis.
- The pool sentry system is in the process of being installed; the original business case set out anticipated cost savings annually of £15k, but savings will be higher since energy costs have increased. There will be some additional but unquantifiable cost benefits in terms of resources, with less reliance on manual intervention of physical plant.
- Another energy reduction project which uses innovative technology to reuse heat from computer servers will be installed in November, and the contractual situation is being finalised with the third party. LED will provide a space for third party servers in a secure plant room but the third party will be responsible for their hardware and data. Since LED is only housing the servers, it is understood that the third party will be responsible for insurance cover for their own assets.
- Dialogue is ongoing between LED and the EDDC Facilities Management team concerning other energy reduction projects.
- Discussions are taking place with Exeter University with a view to putting in place a high level Energy Strategy for the Council's properties and a capital budget of £50k was approved last year to appoint the consultant.
- There will be an opportunity to apply to the Rural England Prosperity Fund for energy saving technologies which could mean that swimming pools will be unreliant on gas by December 2023, with Exmouth being the only town ineligible for the fund.

18 **LED Community Engagement Report**

The LED Director of Delivery introduced the report which highlighted the breadth of what the Community Engagement team are trying to do.

Members noted the report and commented positively on the LED outreach work and the social value that it provides across the district.

19 **LED KPI Dashboard September 2022**

The Forum received and noted key details of the performance of LED Community Leisure for September 2022, including the net promotor score.

In discussion, the LED Director of Delivery remarked that in future reports to the Forum, they will look to provide a comparison of 2022 and 2019 performance data with a view to understanding how experience of the pandemic has changed people's behaviour.

20 **Leisure Strategy Action Plan delivery and reporting**

The Service Lead – Countryside and Leisure introduced the Leisure Strategy Action Plan report.

Full Council and Cabinet had formally adopted the Leisure & Built Facilities Strategy and its Action Plan, and the next stage in the process required the LED Monitoring Forum members to discuss and agree the delivery of its priorities (each action had a 1, 2 or 3 priority listing), in particular the sequencing of the 'priority 1' actions.

It was highlighted that there would be significant challenges in meeting the completion deadlines for each priority within the Action Plan. The LED Forum would need to be aware, from the key Service team areas leading the implementation of the priority actions, what the resources and realistic timelines would be in taking forward each of the priorities agreed by the Forum.

The appointment of the Leisure Enabler role provided the Council with an additional resource to help facilitate the delivery of the priority 1 actions identified in the report over the next 3 years. This would enable Officers to both plan their work programmes in the budget and Service Plan cycles and work with the Leisure Enabler to identify where, if necessary, additional resources were required to successfully complete the priority action.

The LED Monitoring Forum would be required to keep under review the timelines, implications for resources and staff capacity issues against the individual priority actions that would feed back into the regular cycle of Forum meetings.

The Service Lead – Countryside and Leisure set out how the Leisure Enabler role would facilitate delivery of the items set out in the Action Plan.

In discussion at length, Forum members commented that the items on the Action Plan were all high priority and a number of them should run simultaneously. They recognised that:

- Renegotiation of dual use facility agreements was critical in reducing the costs to EDDC.
- Moving forward with the Cranbrook Sports and Leisure Centre was important for the people of Cranbrook, and the facility would be low cost and net zero.
- Renegotiation of the LED contract and management fee must be done by Christmas, and it was sensible to take a one year view due to the ongoing volatility of the economy.

It was suggested that an update be brought to every Forum meeting reporting on progress with the items set out in the Action Plan, and flagging where there specific challenges.

The Forum agreed the programme of delivery for the key priorities identified in the Leisure Strategy Action Plan and the process for reporting progress on the Leisure & Built Facilities Strategy and that the Leisure Enabler role will both facilitate and provide support for the delivery of those key priorities.

Forum members expressed that it would be appropriate to issue a joint LED/EDC newsletter or press release, to let people know the direction of travel.

21 **Leisure Strategy enabler role**

The Strategic Lead – Housing, Health and Environment summarised the role of the Leisure Strategy Enabler, to deliver on what is an ambitious programme under the Leisure Strategy that has been adopted. Funding of £60k has been secured through the Shared Prosperity Fund to fund the post, which will be advertised once the job description has been finalised by the relevant Service Leads.

22 **Community Leisure UK Statement on Energy Bill Relief Scheme**

The Forum received the Community Leisure UK statement on the Energy Bill Relief Scheme, for information related to the LED Financial Update (minute 23 refers).

The statement highlighted that three main concerns had been identified with the Energy Bill Relief Scheme that need addressing urgently, including i) the cap only covering wholesale prices; ii) the cap still being significantly higher than energy payments the previous year and iii) the timeline for support not reflecting the impact for companies with fixed contracts due for renewal the moment the Scheme ends.

23 **LED Financial Update**

The LED CEO ran through the Financial Update report which provided a summary of the current and potential pressures faced by LED in managing the facilities including:

- The effect of the Covid-19 pandemic
- Utility and other costs
- The cost of living crisis
- Loss of income due to disruptions to some facilities
- The particularly detrimental effect of the pandemic and the cost-of-living increase on Exmouth Pavilion.

LED's current forecast is that even if income remains as originally predicted, which is unlikely given the above, and given the increase in costs, it anticipates a substantially increased financial loss on the Council's leisure facilities, which be reviewed monthly as the situation is very volatile. The management team will liaise closely with the Strategic Lead – Finance and, between them, provide regular updates as the situation develops over the coming weeks. This will be a key consideration in the setting of the Management Fee for 2023/24.

24 **Colyton ATP update**

The Service Lead – Place, Assets and Commercialisation introduced the report concerning the Council's capital contribution to Colyton Grammar School's investment works to the all-weather pitch at Colyton Leisure Centre.

Earlier reports had dealt with the overall arrangements. The works to the all-weather pitch were now almost complete and the school had therefore made staged payments. Heads of Terms were still being finalised and hence delaying the stage at which payment would be made until early/mid 2023. This created cash flow issues for the school.

The current report dealt with a request by the school that the Council makes its capital contribution in advance of the new lease and management agreement being in place. If the Council was to make this up-front capital payment prior to securing the new lease and management agreement, the School had agreed that in the event that the new lease and management agreement are not completed by Dec 31st 2023 (longstop date) then the school would be liable to repay the full capital payment. The Council's Legal Services would draft the necessary documentation to secure this commitment by the school although it needs to be acknowledged that the preferred outcome would have been as originally intended, namely that the lease and management agreement be entered into before payment.

In discussion, Forum members recognised that the proposal to make the capital contribution before Heads of Terms are finalised was not without risk, but felt the risk was minimal in the circumstances.

RECOMMENDED to Cabinet:

To delegate authority to the Service Lead – Place, Assets & Commercialisation in consultation with the Strategic Lead – Finance, Strategic Lead – Governance & Licensing and the Portfolio Holder for Economy & Assets to arrange advance payment of the capital contribution of up to £140,000 prior to completion of the new lease and management agreement.

The meeting then went into private session.

25 **Budget Variations 2022-23**

The LED CEO presented the report concerning variations to the 2022-23 budget, outlining the financial implications of the pressures facing LED, as summarised in the Financial Update (minute 23 refers); and how these would be mitigated.

The report detailed the additional contribution that LED would require from the Council, to remain close to the budgeted year-end position. Following discussion at length, and careful consideration of the context and implications, Forum members confirmed their support for an additional contribution of £326,328 to LED.

For the Forum's next meeting, the LED CEO was asked to bring a five year medium term financial plan setting out projections and what the risks are. The Forum recognised that this would need to include some caveats, given the volatility of the economy.

With input from the LED CEO, the Strategic Lead – Finance, Service Lead – Countryside and Leisure and the Service – Place, Assets and Commercialisation were asked to prepare a scoping report for a review of Exmouth Pavilion.

Attendance List

Councillors present:

P Arnott
A Dent
B De Saram
N Hookway (Vice-Chair)
G Jung
J Loudoun
P Millar (Chair)
J Rowland

Councillors also present (for some or all the meeting)

D Ledger

Representatives of LED Community Leisure in attendance:

Karen Best, Director of Finance
Jamie Bryant, Director of Delivery
Peter Gilpin, CEO
Richard Purchase, Chairman of LED Board

Also in attendance:

Justin Moore, Ocean General Manager

Officers in attendance:

Tim Child, Service Lead - Place, Assets & Commercialisation

Sarah James, Democratic Services Officer

Debbie Meakin, Democratic Services Officer

Charles Plowden, Service Lead Countryside and Leisure

Simon Davey, Strategic Lead Finance

John Golding, Strategic Lead Housing, Health and Environment

Councillor apologies:

S Hawkins

Chair

Date: