

MINUTES OF OVERVIEW AND SCRUTINY TASK GROUP - LEISURE CONTRACT

MEETING DATE Thursday, 14 September 2017

MEMBERS PRESENT: Councillor Alistair Morwood (Chair), Councillor (Vice-Chair) and Councillors Doreen Dickinson, June Molyneaux, Mick Muncaster and Debra Platt

OFFICERS: Louise Elo (Head of Early Intervention and Support), Angela Barrago (Health and Wellbeing Manager), James Thomson (Principal Management Accountant), Jane McDonnell (HR Services Manager), Simon John (Policy and Governance) and Cathryn Filbin (Democratic and Member Services Officer)

17.SFB.15 Minutes of meeting Thursday, 3 August 2017 of Overview and Scrutiny Task Group - Leisure Contract

AGREED – That the minutes of the meeting of the Overview and Scrutiny Task Group – Council Leisure Contract held on 3 August be confirmed as a correct record.

17.SFB.16 Declarations of Any Interests

No declarations of interest were received on any of the items detailed on this agenda.

17.SFB.17 Leisure Centre Options - HR & LEGAL

The Director of Policy and Governance submitted a report which provided the Task Group with a brief overview of the HR and legal implications on the leisure provision option for Chorley. The Chair welcomed Jane McDonnell, HR Manager and Simon John, Solicitor to the meeting to present the report's findings.

Members of the Task Group were informed that there was 5 different models which would need to be considered, when deciding on the future of the council's leisure provision.

| Options | HR | Legal |
|---|--|--|
| 1 Invite other leisure providers to tender for the contract under the current operating provision and objectives. | Should the contract transfer from the current provider to a new one it was likely that TUPE would apply. Staffing information however may not be available at the time of tendering. | The TUPE Regulations 2006 (as amended) and the Public Contracts Regulations 2015 would apply to this Option. The Council would have to take into consideration both |

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| | The Council would need to establish that it was the only facilitator in the TUPE process to minimise potential liability. | employment and procurement cost risks in relation to this Option |
| 2 Bring the provision back in-house and deliver under the current operating provision and objectives. | Likely that the current employees would transfer to the Council under TUPE and salary costs likely to increase due to Living Wage Foundation rates. Possible duplication of management/support roles. | The TUPE Regulations 2006 (as amended) would to this Option. The Council would have to take into consideration employment cost risks. |
| 3 Invite other providers to tender for the contract under a new operating provision with objectives in-line with early intervention principles and outcome based performance. | Same TUPE issues as option 1, and ensuring the Council was only the facilitator. Additional issue of employees transferring to a different service where the number of employees and roles may be different. Possible ETO justification for the change. | The TUPE Regulations 2006 (as amended) and the Public Contracts Regulations 2015 will apply to this Option. The Council would have to take into consideration both employment and procurement cost risks in relation to this Option. |
| 4 Bring the provision back in-house and design a model which targets the health needs of the residents of Chorley and was linked to our ambition for future operating models of partnership and collaborative approaches. | Same TUPE and duplication issues for the Council as option 2. Due to change in nature of the service transferring employees may not be suitably skilled or experienced for the new roles. | The TUPE Regulations 2006 (as amended) will apply to this Option. The Council would have to take into consideration employment cost risks. |
| 5 Remain with existing service provider | Longer term implications relating to increases in National Living Wage. | No implications |

The HR Manager confirmed that a change to the current leisure provision could increase a risk in relation to staffing, as transferring to a new operating model would require skills matching.

It was reported that Pulse Regeneration was the appointed consultant to undertake a review. It was expected that their findings would be reported to the Council in approximately 6 weeks.

Members of the Task Group considered that the report was theoretical in nature and until the consultant reports their findings (including cost implications) it would not be possible to consider the options in any detail.

The Chair thanked both the HR Manager and Solicitor for presenting the report.

AGREED – That the report be noted.

17.SFB.18 Date of Next Meeting

AGREED – That the next meeting would be held in November to allow sufficient time for the consultant to report their findings to the Council.

Since the meeting the date of the next Task Group meeting has been agreed to take place on **Wednesday, 22 November at 5.30pm.**

Chair

Date