

## General Purposes Committee

Thursday, 11th March 2021, 6.30 pm

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### Agenda

#### Apologies

1 **Minutes of meeting Wednesday, 16 September 2020 of General Purposes Committee**

(Pages 3 - 4)

2 **Declarations of Any Interests**

Members are reminded of their responsibility to declare any pecuniary interest in respect of matters contained in this agenda.

If you have a pecuniary interest you must withdraw from the meeting. Normally you should leave the room before the business starts to be discussed. You do, however, have the same right to speak as a member of the public and may remain in the room to enable you to exercise that right and then leave immediately. In either case you must not seek to improperly influence a decision on the matter.

3 **Exclusion of the Public and Press**

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)  
Condition:

Information is not exempt if it is required to be registered under-

The Companies Act 1985

The Friendly Societies Act 1974

The Friendly Societies Act 1992

The Industrial and Provident Societies Acts 1965 to 1978

The Building Societies Act 1986 (recorded in the public file of any building society, within the meaning of the Act)

The Charities Act 1993

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to

Regulation 3 of the Town & Country Planning General Regulations 1992(a).

4 **Alker Lane Development**

(Pages 5 - 16)

To consider and receive the report of the Director of Commercial.

5 **Any urgent business previously agreed with the Chair**

Gary Hall  
Chief Executive

Electronic agendas sent to Members of the General Purposes Committee Councillor Aaron Beaver (Chair), Councillor Gordon France (Vice-Chair) and Councillors Julia Berry, Terry Brown, Mark Clifford, John Dalton, Graham Dunn, Peter Gabbott, Keith Iddon, Zara Khan, Margaret Lees, June Molyneaux, Paul Sloan, John Walker, Paul Walmsley and Neville Whitham.

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**Minutes of**                                 **General Purposes Committee**

**Meeting date**                               **Wednesday, 16 September 2020**

**Members present:**                    Councillor     Aaron Beaver     (Chair),     Councillor  
Gordon France (Vice-Chair) and Councillors Julia Berry,  
Terry Brown, Mark Clifford, John Dalton, Graham Dunn,  
Peter Gabbott,                    Zara Khan,                    Margaret Lees,  
June Molyneaux, Paul Sloan, John Walker, Paul Walmsley  
and Neville Whitham

**Officers:**                                   Chris Sinnott (Deputy Chief Executive), Angela Barrago  
(Service Lead - Communities), Chris Moister (Director of  
Governance) and Nina Neisser

#### **20.GP.1         Minutes of meeting Thursday, 13 December 2018 of General Purposes Committee**

**Decision: That the minutes of the General Purposes Committee held on 13 December 2018 be approved as a correct record for signature by the Chair.**

#### **20.GP.2         Declarations of Any Interests**

There were no declarations of interest received.

#### **20.GP.3         Exclusion of the Public and Press**

**Decision: that the press and public be excluded from the meeting for the consideration of the remaining item of business on the grounds that it will involve the disclosure of exempt information under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

#### **20.GP.4         Leisure Contract**

Chris Sinnott, Deputy Chief Executive presented his confidential report which provided an update on recent negotiations with the preferred bidder for the council's leisure contract which was due to commence on 1 October 2020 and sought approval for budget provision to be made for the council to step in and directly manage the leisure centres.

Covid-19 has had a fundamental impact on leisure operators. The lockdown and subsequent measures needed for social distancing means that the income streams available had all but disappeared for a significant part of the year.

As a result, the council's preferred bidder to take over the operation of its leisure centres at the expiry of the current contract at the end of September had very recently

withdrawn from the process. This left a small number of options available to provide continuity of employment for the staff and continuity of service for residents. The proposed approach was for the council to take over the management of the centres and the report sought approval for the necessary budget provisions.

Members considered the options in the report to address this issue in the immediate future and the longer-term options. It was proposed that during the transfer of management, the council should examine its long term options, which included the establishment of a Local Authority Trading Company, or other special purpose vehicle, or going back to the market through an open procurement process.

Councillor Bev Murray, as Executive Member for Early Intervention expressed her disappointment at the current situation and urged Members to make a decision which would support the staff currently employed at the leisure centres to ensure they were not affected by this.

Councillor Peter Gabbott recognised the council's need to act immediately but queried why the finances in the report only covered 6 months when the council was proposing to run the centres for 18 months. Officers advised that the finances were based on the projections from the preferred contractor, and would need to be reviewed over time. It was estimated that the leisure centres would no longer be making losses after 18 months and subsequently move into surplus. Work would commence immediately to examine options for the longer term management, with subsequent reports presented to Executive Cabinet or Council.

Councillor Graham Dunn understood that the current contractor, Active Nation were pursuing the council for the losses accrued as a result of Covid-19 and the closures during lockdown and queried whether other local authorities were in a similar position. Members were advised that there were ongoing deliberations with Active Nation in regards to a clause in the contract however this was currently with the council's solicitors who would be responding to this. It was recognised that many other local councils across the country were in similar situations with their leisure contractors and it was agreed that the council would take this into consideration when reviewing the options in future.

**Decision (unanimous):**

- 1) That up to £450,000 is made available from Government Covid-19 Funding and/or General Reserves to pay for set up costs in the council taking over the running of its leisure centres.**
- 2) That council approves the use of up to £800,000 from the Government Covid-19 Funding and/or General Reserves to fund the support running the leisure centres to the end of 2020/21 (see Table 1), this will also include funding expenditure to develop the future options for the delivery of leisure service in the borough.**
- 3) That the committee notes the intention to explore the potential to establish a Local Authority Trading Company or other special purpose vehicle to manage the council's leisure centres, subject to further agreement and approval from the council.**

Chair

Date

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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