



REPORT TO: MORAY COUNCIL ON 5 SEPTEMBER 2018

SUBJECT: REVIEW OF MORAY'S LEISURE ESTATE

BY: ACTING CORPORATE DIRECTOR (EDUCATION AND SOCIAL CARE)

1. REASON FOR REPORT

- 1.1 To inform the Council of the progress made in relation to the Review of Moray's Leisure Estate and to agree that the Leisure Estate Project Board continues to identify the relative strategic importance of the Leisure Estate, investigate governance options and report back to Council in early 2019.
- 1.2 This report is submitted to Committee in terms of Section II (13) of the Council's Scheme of Administration relating to the approval of Council Reports and Strategies of a corporate nature including Local Development and Housing Plans.

2. RECOMMENDATION

2.1 It is recommended that the Council:-

- i) scrutinise and consider the progress made in relation to the Review of Moray's Leisure Estate;**
- ii) agree that the Leisure Estate Project Board identify the relative strategic importance of the Council's various Leisure facilities and services;**
- iii) agree that the Leisure Estate Project Board continue to investigate governance options for the Leisure Estate in the order as indicated in 3.10; and**
- iv) agree that the Leisure Estate Project Board report back to Council in early 2019 on the outcome of investigations into (b) and (c) above.**

3. BACKGROUND

- 3.1 At the meeting of Moray Council on 30 March 2016, the Council agreed that a further review of Moray's Leisure Estate be undertaken, incorporating Moray Leisure Centre (MLC) (paragraph 12 of the Minute refers).
- 3.2 In April 2016, a Project Board with Local Elected Members and Officers was established to oversee the Review. This was supported by a working group

comprising of representatives from a range of Council services involved in the delivery of the Council's Leisure Estate as well as a MLC representative.

- 3.3 At the meeting of Moray Council on 17 August 2016, the Council approved the scope for the Leisure Review and the Business Case options required (paragraph 9 of the Minute refers).
- 3.4 At the meeting of Moray Council on 7 December 2016, the Council authorised the Leisure Review Project Board to enter into discussions with Arms Length External Organisations (ALEOs) with regards to future leisure provision in Moray, including discussions on the current estate, rationalisation and Community Asset Transfer (CAT) and report back to a future meeting of the Council (paragraph 12 of the minute refers).
- 3.5 At the meeting of Moray Council on 29 March 2017, the Council approved the extension of Moray Leisure Limited's (MLL) lease for an additional year up to 28 July 2019, unless both parties agree to terminate the lease earlier, to enable the new MLL Board sufficient time to develop and implement changes recently identified.
- 3.6 At the meeting of Moray Council on 20 December 2017, the Council approved to re-profile the financial assistance it provides to Moray Leisure Centre in order to allow it to continue to operate and to consider additional funding to enable a management consultancy to be engaged to develop a recovery plan for the Centre (paragraph 4 of the minute refers).
- 3.7 At the meeting of Moray Council on 28 June 2018, Members were provided with an update on the progress of the implementation of Moray Leisure Centre's recovery plan (paragraph 20 of the minute refers).
- 3.8 Since the last update report on the Leisure Estate in March 2017, 5 Elected Members were appointed to the Project Board, familiarisation workshops were delivered for these Members and internal and external discussions have been ongoing in relation to the preferred operational model for the future. Due to the priority of resolving the strategic and operational issues of Moray Leisure Centre across the past year, decisions on the Council's own Leisure Estate have been delayed.
- 3.9 An important factor to be noted in relation to the work of the Project Board is the substantial savings that are required from Leisure as a consequence of the Council's financial situation. The Leisure Project Board has a critical role to play in identifying the strategic importance of the various services and facilities provided and thereby helping to reduce the potential impact of any savings that are required.
- 3.10 The four governance options the Project Board are currently exploring are as follows;
 - Shared service with another Local Authority
 - Enhanced Status Quo (creating an in-house Business Unit for the Leisure Estate and retaining Moray Leisure Centre in its current form)
 - Creation of a Moray Arms-Length External Organisation (either through setting up of a new ALEO or using Moray Leisure Limited body)

- Go through procurement for a Service Contract for the Leisure Estate

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

In relation to the LOIP, this report supports the healthier children focus within the Moray priority to build a better future for our children and young people in Moray. It also supports the improving life chances and development of stronger, more resilient, supportive, influential and inclusive communities focus within the Moray priority for empowering and connecting communities. The report also impacts on the employment focus within the Moray priority for growing a diverse and sustainable economy.

In relation to the Corporate Plan, this report contributes to ensuring our communities are caring and healthy, promotes economic development and growth, and maintains, and promotes, Moray's landscape and biodiversity, works towards a financially stable Council that provides valued services to our communities, more of our activities, services and plans are influenced by the communities they service and positive management of workforce reduction and change.

(b) Policy and Legal

Local Authorities have a legal duty to ensure adequate provision of facilities for recreational, sporting, cultural and social activities. Improving the health and wellbeing of the Moray community through sport, leisure and recreation is not only an integral part of the local vision, but it is also a national priority. In particular, the report aims to fulfil the aspirations of everyone having access to a network of quality places where you can get involved in sport, as identified as a key objective in sportscotland's Corporate Plan 2015-19 "Raising the Bar". The report also links to the Scottish Government's Active Scotland Outcomes Framework, which aims to improve our active infrastructure – people and places.

This report also relates to the Libraries Service ability to meet the recommendations of "Ambition and Opportunity" the new strategy for public libraries in Scotland 2015-2020 which will be measured by the national audit process "How Good is our Public Library Service".

(c) Financial implications

The Council's overall financial position is unsustainable and the size and composition of the Leisure Estate require to be reviewed to deliver savings in a timeously manner.

(d) Risk Implications

The risk of not identifying a future operational model for the Leisure Estate will have an impact on the budget savings required to be made in a timeously manner by the Council.

(e) Staffing Implications

There are no staffing implications arising directly from this report.

(f) Property

There are no property implications arising directly from this report. However property owned by Moray Council may be subject to Community Asset Transfers or closures as part of the budget consultation.

(g) Equalities/Socio Economic Impact

There are no equalities implications arising directly from this report.

(h) Consultations

In preparing this report, consultations have been undertaken with the Project Board (includes Local Elected Members, Officers from Education and Social Care, Legal, Housing & Property and Accountancy), the Working Group (includes Officers from Accountancy, Sport and Leisure Facilities, Libraries, Environmental Services, Active Schools, Sports Development, Property, Asset Management, Facilities, Human Resources, Legal, Equal Opportunities, Community Support, Press Relations, Estates and Energy), Educational Resources Manager, Head of Financial Services and the Democratic Services Manager whose comments have been incorporated into the report.

5. CONCLUSION

- 5.1 That the Council considers the recommendations set out in Section 2 of the report in regard to scrutinising and considering the progress made in relation to the Review of Moray's Leisure Estate and to agree that the Leisure Estate Project Board continues to identify the relative strategic importance of the Leisure Estate, investigate governance options and report back to Council in early 2019.**

Author of Report: Kim Paterson, Active Schools and Sports Development Manager

Background Papers:
Ref: