

Executive – 22 December 2003

Present: Councillor Williams (Chairman)
Councillors Bishop, Mrs Bradley, Mrs Bryant, Cavill, Garner, Hall and Mrs Lewin-Harris

Officers: Mrs P James (Chief Executive), Mr P Weaver (Director of Community Services – Acting) Ms S Adam (Head of Finance), Mr P Carter (Financial Services Manager), Mr K Toller (Chief Personnel Officer), Miss L Wyatt (Employee Relations Manager), Mark Sutcliffe (Strategic Leisure) and Mr G P Dyke (Member Services Manager)

Also Present: Councillors Mrs Allgrove, Miss Cavill, Croad, Davies, Denington, Floyd, Gill, Henley, Hindley, House, Lees, Meikle, Morrell, Mrs Nixon, Paul, Phillips, Prior-Sankey, Mrs Smith, Stuart-Thorne, Trollope, Wedderkopp, Mrs Whitmarsh and Mrs Wilson

(The meeting commenced at 5.30 pm).

66. Apologies

Councillor Edwards.

67. Minutes

The minutes of the meeting of the Executive held on 10 December 2003 were taken as read and were signed subject to Minute No 61 - Public Question Time being amended as follows:-

The third line of the second paragraph delete the words “provide an agricultural business centre” and replace with “relocate the agricultural livestock market”.

68. Exclusion of Press and Public

RESOLVED that the press and public be excluded from the meeting for the item numbered 4 on the Agenda because of the likelihood that exempt information would otherwise be disclosed relating to clauses 1, 9 and 12 of Schedule 12(a) of the Local Government Act 1972.

69. Leisure Trust

Submitted report which had previously been circulated to all members of the Council regarding the establishment of a Leisure Trust, Tone Leisure (South West) Ltd. The report gave details of the proposal to transfer the Council’s leisure facilities and its development services to Tone Leisure (South West) Ltd. It revisited the original rationale for pursuing this decision, issues that had arisen during the process of working towards the transfer, financial issues, including the level of funding for the first 15 months, legal issues to be considered and a number of outstanding matters.

As various matters remained outstanding at the time the report was drafted, a verbal update was made on a number of issues that were fundamental to the decision to transfer.

Also submitted at the meeting was a report that had been circulated to all Councillors via e-mail earlier in the day which updated Members on the various matters that remained outstanding. Circumstances surrounding the proposal to establish a Leisure Trust had changed significantly. Full details of the key issues and the options available to the Council were reported. Members also received details of the views of the Council's Strategic Advisor, Mark Sutcliffe, of Strategic Leisure Ltd. In view of the current situation, it was recommended that the transfer of services and facilities to Tone Leisure (South West) Ltd be not agreed. Details were submitted of the reasons for and implications of such a decision.

This left the Council with two options, (a) to defer the decision and (b) to abort the transfer.

The updated report explored these options further.

The overriding view of the Client Project Team and the Council's external advisors was that the proposed transfer, as it currently stood, carried too much risk compared to the rewards that were now available. Some of the fundamental issues affecting that balance were unlikely to be resolved in the short term. The revenue impact of a decision not to proceed at this time was also reported.

RESOLVED that Council be recommended that:

- (a) the decision to transfer the Council's Leisure Service and facilities to Tone Leisure be deferred for 6 months and the current Trust lawyers have no further input into the project ;
- (b) work commence immediately on a medium-term leisure strategy;
- (c) a contribution of £200,000 from Somerset County Council towards the cost of completion of the Wellsprings Leisure Centre be accepted;
- (d) a supplementary estimate of £330,000 be made towards the VAT liability triggered by the Wellsprings Leisure Centre - £151,000 from unallocated capital resources and £179,000 from General Fund Reserve;
- (e) the Chief Executive be authorised to negotiate with the Hawkins Family Trust to release the clause preventing a sub-lease at Blackbrook and, if required, authorise the implementation of appropriate Compulsory Purchase Order powers.

(The meeting ended at 6.24 pm).