

NORTHUMBERLAND COUNTY COUNCIL

COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE

At a virtual meeting of the **Communities and Place Overview and Scrutiny Committee** on Wednesday, 13 January 2021 at 2.00 p.m.

PRESENT

Councillor J. Reid
(Chair, in the Chair)

MEMBERS

Armstrong, E.	Gibson, R.
Cartie, E.	Hepple, A.
Dunn, E.	Horncastle, C.
Gallacher, B.	Stow, K.

CABINET MEMBER

Watson, J.	Healthy Lives
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OFFICERS IN ATTENDANCE

M. Dixon	Contracts Officer
R. O'Farrell	Executive Director of Corporate Resources - Planning & Economy
J. Farrier	Head of Commercial and Resources, Active Northumberland
P. Metcalfe	Head of Operations and Services, Active Northumberland
S. Nicholson	Scrutiny Co-Ordinator
N. Turnbull	Democratic Services Officer
N. Walsh	Head of Cultural Services

70. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Dunbar.

71. MINUTES

RESOLVED that the minutes of the following meetings of the Communities and Place OSC, as circulated, be confirmed as a true record and signed by the Chair:

a) 7 October 2020

Ch.'s Initials.....

b) 28 October 2020

72. FORWARD PLAN OF CABINET DECISIONS

The Committee considered the Forward Plan of key decisions (December 2020 to March 2021). (Schedule enclosed with the signed minutes as Appendix A).

The Scrutiny Co-Ordinator reported that the Forward Plan had been updated since the papers had been circulated for the meeting in December which had been cancelled. He commented that the Draft Private Sector Housing Strategy report had been withdrawn from the Forward Plan so would not be pre-scrutinised by the Committee.

All members were reminded that they had been invited by the Leader to attend the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee on 8 February 2021, when the budget would be considered.

RESOLVED that the report be noted.

73. OVERVIEW

73.1 Overview of Monitoring Arrangements for Active Northumberland

The report presented an overview of the arrangements in place for the monitoring of Active Northumberland's performance through the NCC Client Function. (A copy of the report is attached to the signed minutes as Appendix B).

Nigel Walsh, Head of Cultural Services explained that he was responsible for the leisure client function and was joined by Maureen Dixon, Contracts Officer, who was responsible for the collation and reporting of performance information.

The report outlined the arrangements with Active Northumberland which was a registered charity and the sole provider of leisure services for the Council at a number of sites across the county. Operational requirements were set out in the Leisure Partnership Agreement in place for 2018 to 2022, with a phased reduction of the NCC subsidy or annual management fee. Also included were key performance indicators for the first two quarters of 2020/21 and review, key performance indicators for 2019/20.

Active Northumberland were required to demonstrate that the investment provided a high level of usage as well as a positive difference to users lives. They were also guided by national policy and key NCC documents.

He commented that the pandemic and closure of premises had a significant impact on the leisure industry and therefore the performance figures for quarter 2 of 2020/21 were not typical.

An Annual Outcome Report was required by 30 June each year and contained a review on how the service plan had been delivered for the previous financial year. He suggested that the Annual Outcome Report could be considered by the Committee in July each year, if required.

Paul Metcalfe, Head of Operations and Services, and Joanne Farrier, Head of Commercial and Resources, both of Active Northumberland, presented the draft Service Plan for 2021/2022 and outlined performance levels for 2019/20.

A copy of the presentation is enclosed with the minutes of the meeting. The presentation set out:

- Information about the organisation, Board composition, types of premises and number of employees.
- Vision, Proposition and Values.
- Support available to the workforce.
- 2019/20 participation and financial highlights including the main 5 income streams and 3 largest areas of income growth.
- 2021/22 future aims (restrictions permitting) including:
 - Service improvements aims
 - Group Exercise programme aims
- Proposals to tackle the wider determinants of health:
 - Exercise referral scheme
 - Weight management programme
 - Childhood obesity
- Mams on the Move
- Future catering opportunities
- Key policy objectives
- Investment in leisure facilities.

Members of the Committee were delighted to receive the presentation and report which were detailed and informative. The workforce were to be congratulated for the adaptations made during the pandemic.

The following information was provided in response to questions:

- The economic impact of the pandemic, national lockdown, closure of facilities and social distancing restrictions on premises were unable to be predicted.
- The impact on society and requirements going forward would need to be considered and understood.
- When facilities were open, they were maximising usage numbers and income, within restrictions, however some facilities were only able to operate at 25% of previous activity levels due to building capacity.

- The organisation was seeking all available grant and funding opportunities to reduce the reliance on the NCC subsidy. They were operating with reduced staff and had implemented the furlough scheme to minimise the budget.
- Exercise classes were being held online and covid audits were being undertaken of new premises.
- The budget deficit was currently £4.3 million as at December 2020.
- The SEND programme was scheduled to commence in April 2021 using Active Northumberland buildings.
- They aimed to work with communities in rural locations where residents were unable to access Active Northumberland premises and with the NHS and hospitals and Northumberland Communities Together and for the Council's workforce.
- Figures had been provided to the Cabinet office. Active Northumberland was part of Community Leisure UK which had been lobbying the Government and Sport England for additional funding, as £100 million was likely to be insufficient for all leisure providers across the country.
- The loss referred to of £4.3 million was as a result of loss of income from facilities being closed for more than 5 months and increased operating costs to make sure they were covid compliant when open. Currently 95% of staff were furloughed with approximately 45 staff working, some at covid testing sites. There were also hidden costs such as pension and national insurance elements and which were not included within the furlough scheme. When premises had been open and fully staffed, social distancing requirements diminished income generation.
- Work had been undertaken with Public Health to review the catering provision to provide reduced sugar items and more healthy options to fuel participants for undertaking their activities. Information on the sales from vending machines and catering facilities was normally received on a monthly basis.
- Many of the buildings and equipment had been ageing. Investment in the facilities had been required to increase participation, provide an asset which was fit for purpose and generate income to enable the organisation to operate without a subsidy in the future. More information could be obtained regarding the payback and business case for the capital investment, if this was required.
- Quarterly KPIs were uploaded to the Council's Corporate Performance website, provided considerable detail and a direction of travel was visible. The involvement of the scrutiny committee was welcomed with the opportunity to consider annual review and forward plan.

Councillor Jeff Watson, Portfolio Holder for Healthy Lives commented that the Council was aware of the contribution of the service to public health and therefore any shortfall during 2020/21 would be funded. It was the aim that new facilities would be able to run themselves and generate revenue which would create a surplus. Active Northumberland and the Council had a very good relationship and cooperation as indicated by exploration of use of the leisure centres as part of the Covid vaccination programme. The essential aim of the management agreement was that funding would reduce over a number

of years. He had not yet been involved in discussions regarding the period beyond 2022, however leisure services needed to be provided.

The Chair acknowledged the work of Active Northumberland and their responsiveness during the pandemic to date. The proposed plans had been accepted by members, but he was concerned about the uncertainty of the future and the need for response as the situation changed.

RESOLVED that:

1. The current arrangements for monitoring the performance of Active Northumberland in accordance with the Leisure partnership Agreement 2018-2022, be noted.
2. The performance reporting information provided to NCC by Active Northumberland for 2019-2020, be noted.
3. The draft Service Plan presented by Active Northumberland for 2021-2022, be received.
4. An updated Service Plan be considered at a future meeting of the Communities and Place Overview and Scrutiny Committee.
5. The Annual Outcomes Report be considered by the Communities and Place Overview and Scrutiny Committee in July 2021.

74. REPORT OF THE SCRUTINY CO-ORDINATOR

Communities and Place Overview and Scrutiny Committee Monitoring Report

The Committee reviewed its work programme for the 2019/20 council year. (Report enclosed with the signed minutes as Appendix C).

The Scrutiny Co-Ordinator outlined changes to the work programme since the papers had been published in December. Reports were to be considered as follows:

February:

Enforcement Overview
Anti-Social Behaviour Overview

March:

Customer Services Feedback
Seasonal Grounds Maintenance
Section 106 Agreements

April:

Members invited to reflect and follow up on reports considered in the previous 2 years.

RESOLVED that the report be noted.

CHAIR _____

DATE _____