

Committee: Audit and Scrutiny	Date:
Subject: Brentwood Leisure Trust	Wards Affected: All
Report of: Audit and Scrutiny BLT Members Working Group	Public
Report Author: Name: Steve Summers, Strategic Director Telephone: 01277 312500 E-mail: steve.summers@brentwood.gov.uk	For Decision

Summary

At the 24th November 2020 Audit and Scrutiny Committee Cllr Dr Barrett forwarded a recommendation for the scrutiny work programme to include a review of the historic relationship between Brentwood Borough Council and the Brentwood Leisure Trust (BLT). The completed form is attached at Appendix A.

Subsequently this was agreed at the 26th January 2021 Audit and Scrutiny Committee (Min.670 refers) and added to the scrutiny work programme with the process to be dealt with by way of a cross party working group.

This report sets out the conclusions and recommendations of the cross-working party working group following a review of all the information available to the group.

Recommendation(s)

R1. That the Committee approves the recommendations as set out in 13.1 to 13.3 of this report.

Main Report

Introduction and Background

1. The initial cross-party Members Working Group met on the 3rd March 2021 and identified the initial questions/information they would like to see. Meeting minutes and questions/information are attached as Appendix B and C to this report. The members of the working group were Councillors Tanner (Chair), Dr Barrett, Fulcher, Hones, Lewis and Poppy.

2. The second Working Group meeting was held on the 10th August 2021. The draft minutes were provided to the Audit & Scrutiny Committee on the 28th September 2021 and are attached as Appendix D to this report. Councillor Naylor replaced Councillor Lewis on the working group.
3. The third Working Group meeting was held on the 20th December 2021. The draft minutes were provided to the Audit & Scrutiny Committee on the 12th January 2022 and the amended version is attached at Appendix E to this report.
4. In addition a request was made by a Working Group member to be provided with all the exempt reports that had been referred in the report to the third Working Group meeting held on the 20th December 2021. These were provided by Officers on the 25th January 2022 to all Members of the Working Group reminding them of the confidential nature of the reports and that they are bound by the rules of confidentiality. These minutes were updated following a request from Cllr Fulcher by email on the 25th January 2022 as set out in Appendix E.
5. Cllr Fulcher also requested that a further meeting of the working group was held to consider the current and future arrangements for the Brentwood Centre to avoid a reoccurrence of the situation the Council has had to face. The meeting was held on the 30th August 2022 and the minutes are attached as Appendix F.
6. The Working Group were advised that a new agreement with Sports and Leisure Management Limited (SLM), (Everyone Active) for the operational management of the Brentwood Centre was implemented on 1 October 2021 for 2 years.
7. Everyone Active is part of SLM, who are a long-established leisure contractor in the UK, founded in 1987. They also have a Community Leisure Charitable Trust which is a subsidiary of SLM Limited.
8. It was recognised that as part of that agreement the Council had weekly meetings with the operator for the first 3 months of the contract and these meetings are now monthly. At each meeting the operator reports on the Key Performance Indicators. These include the current membership numbers, participation in the gym, swim and group exercise, community development projects, planned events at the centre and any building works or issues. These form a monthly client report and also an annual report will be provided.
9. The financial information is shared as an open book approach to look at the forecasted income and expenditure and then revised with the actuals. Presentations by SLM had been made to the appropriate committee.

10. The Working Group were reminded that the Council constitution had subsequently been amended so that no members should be appointed as Trustees in any partnership/contractual arrangements.
11. Subsequently, Officers provided by email, on the 7th October 2022, the draft conclusions and recommendations as a result of the Working Group meetings requesting any amendments or additions. These are set out in the Section 11 - Conclusions and Section 12 - Recommendations of this report.

Conclusions

12. Following the Working Group meetings the members having considered all the information provided to them made the following conclusions:
 - The initial set up 2003 of the Trust arrangements did not provide a strong foundation in which it could succeed.
 - Financial issues were identified at an early stage and whilst various attempts were made by the council over a period of time to assist, the Trust was never in a strong financial position.
 - The State Aid position was reviewed when a further request for funds was made by the Trust in 2020.
 - Whilst a number of reports were made to various committees on BLT there was not a strong and regular client management with the Trust.
 - Regular reports were not made to the appropriate committee on a consistent basis.
 - Record keeping of any meetings with the Trust was poor by both parties.

 - The Council's Asset Management of the building was varied and inconsistent over several years.
 - Changes in officers at certain times and over the period made the monitoring and relationship building between the Council and the Trust inconsistent.
 - Members on the board were ineffective in terms of two-way communication between the Trust and the Council. This has now been dealt with by changes to the Council's Constitution last year.

Recommendations

13. In addition the Member Working Group provided the following recommendations for consideration by the Audit & Scrutiny Committee.
 - 13.1 The Council should continue with the positive progress made in making sure that record keeping, and governance of partnership/contractual arrangements are robust and transparent and regular reports are made to the appropriate committee.

13.2 Regular update reports of major partnership/contractual arrangements should be included within the A&S Committee annual workplan.

13.3 This report is made to the Community, Environment & Enforcement Committee.

Consultation

None

References to Corporate Plan

The vision of Transformation includes an action to improve the Council's governance arrangements, leading to faster, more effective decision-making. An effective scrutiny function is an essential element of that priority.

Implications

Financial Implications

Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) and Section 151 Officer

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There are no direct financial implications arising from this report, all financial matters relating to Brentwood Leisure Trust have been discussed in the working group.

Legal Implications

Name & Title: Steve Summers, Strategic Director and Monitoring Officer

Tel & Email: 01277 312500/steve.summers@brentwood.gov.uk

There are no direct legal implications arising from this report

Economic Implications

Name/Title: Phil Drane, Director (Place)

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There are no direct economic implications arising from this report

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

Background Papers

None

Appendices to this report

- Appendix A: Scrutiny Review form.
- Appendix B: Working Group 3rd March 2021 – Questions.
- Appendix C: Working Group 3rd March 2021 – Minutes.
- Appendix D: Working Group 10th August 2021 – Minutes.
- Appendix E: Working Group 20th December 2021 – Minutes
- Appendix F: Working Group 30th August 2022 - Minutes