

Culture and Communities Committee

2pm, Tuesday, 20 March 2018

Service Payment to Edinburgh Leisure – 2018/19

Item number	8.9
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	39 and 42

Executive Summary

Following the decision of Council on 22 February 2018 to agree a Council budget for 2018/19 this report seeks Committee approval for the service payment to Edinburgh Leisure for 2018/19.

Service Payment to Edinburgh Leisure – 2018/19

1. Recommendations

- 1.1 Culture and Communities Committee is asked:
 - 1.1.1 to approve the adjustment of service payment to Edinburgh Leisure from £8.075m in 2017/18 to £7.905m for 2018/19.
 - 1.1.2 to approve a further payment of £0.165m to Edinburgh Leisure towards capital improvement works across the Council's sport and leisure facility estate.
 - 1.1.3 to request that a future report is provided, that details possible changes to service and funding agreements between the Council and Edinburgh Leisure taking account of the changing environment and emerging opportunities.

2. Background

- 2.1 As instructed by Council in December 2012 and as reported to Council in November 2013, Edinburgh Leisure agreed to operate under, at that time, new service and funding agreements. These service and funding arrangements remain in place and the Council will work with Edinburgh to make any adjustments required for 2018/19.

3. Main report

- 3.1 Edinburgh Leisure operates over 50 sport and leisure facilities across the city on behalf of the Council, attracting over 4 million visits each year. The range of facilities include sport and leisure centres, swim centres, golf courses, tennis courts, bowling greens and sports pitches. Edinburgh Leisure also deliver coaching activities, programmes and initiatives for people of all ages and abilities; services that will help Edinburgh become a more active and healthy city. In the last year significant progress has been made regarding the transfer of management responsibility for community access to secondary school sports facilities from CEC to Edinburgh Leisure. Edinburgh Leisure currently manage the bookings of community time lets for all Secondary schools sports facilities and are active in managing on site activity in 14 schools during community time i.e. after 6pm, weekends and holidays.

- 3.2 Edinburgh Leisure's service payment for 2017/18 was £8.075m, approved by Culture and Sport Committee on 20 March 2017. A savings target of £0.270m has been agreed between the Council and Edinburgh Leisure for 2018/19 together with a pay award provision based on an inflationary uplift.
- 3.3 The service payment has also been reduced by £0.250m, following the closure of Meadowbank Sports Centre. This element of the service payment will be applied to costs relating to the provision of the new sports facility at Meadowbank.
- 3.4 Taking into account the agreed reductions and uplift this leaves a service payment for 2018/19 of £7.905m.

In further support of Edinburgh Leisure, the Council approved, at its meeting on 22 February 2018, a request by Edinburgh Leisure (EL) to act as a guarantor for its pension arrangements with Lothian Pension Fund (LPF) enabling EL to minimise the impact of pension increases on its budget.

- 3.5 Edinburgh Leisure continues to work together with the Council and other stakeholders on a range of projects and will be expected to explore a range of proposals regarding CEC assets currently managed by Edinburgh Leisure but of interest to other organisations as part of an asset transfer request.
- 3.6 Edinburgh Leisure is involved with two significant sport infrastructure projects; the redevelopment of Meadowbank Sports Centre and the creation of a cycling hub and redevelopment of the Jack Kane Sports Centre and Jack Kane Community Education Centre at Hunters Hall Park.
- 3.7 The Council approved capital funding of £7.9m for Meadowbank Sports Centre at its budget meeting on the 9 February 2017. A progress report on the development at Hunters Hall Park will be presented at a future committee meeting.

4. Measures of success

- 4.1 Edinburgh Leisure contributes effectively to the delivery of the Council's outcomes.
- 4.2 The Services and Funding Agreement ensures performance reporting requirements are monitored and met.

5. Financial impact

- 5.1 Council service payment of £7.905m to Edinburgh Leisure for 2018/19.

6. Risk, policy, compliance and governance impact

- 6.1 This report is required under the Council's governance arrangements for Council companies. There are no risk, policy or compliance implications arising from this report.

7. Equalities impact

7.1 There are no equalities implications arising from this report.

8. Sustainability impact

8.1 There are no sustainability implications arising from this report.

9. Consultation and engagement

9.1 Edinburgh Leisure has worked with Council officers and external partners on a variety of projects, as noted above.

10. Background reading/external references

10.1 [Edinburgh Leisure website](#)

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11. Appendices

11.1 None