

MINUTES OF CABINET MEETING HELD 22 MARCH 2010

PRESENT

Councillor Cereste - Leader of the Council, Councillor Elsey, Councillor Hiller, Councillor Holdich, Councillor Lee, Councillor Scott and Councillor Seaton – Cabinet Members

Councillor Benton, Councillor S Dalton - Cabinet Advisers

1. APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Croft and Lamb.

2. DECLARATIONS OF INTEREST

Councillor Lee declared a non-prejudicial interest as a member of the shadow board which had been formed as part of the process of establishing a Trust.

Councillors Benton and Seaton declared a personal interest as members of one of the Council owned sports centres.

3. FUTURE DELIVERY OF CULTURE AND LEISURE SERVICES

At its meeting of 12 October 2009, Cabinet had determined that services to be considered for transfer into a culture and leisure trust should be: Arts Services, Museum Services, Library Services and Sports Services and had authorised the Director of Operations to commence the process of establishing a not-for-profit distributing organisation (a 'Trust') for the delivery of cultural services, subject to appropriate consultation with staff and the agreement of a detailed Business Plan.

A Shadow Board had subsequently been established and Cabinet was asked to consider whether or not to transfer the delivery of cultural and leisure services to Peterborough Cultural and Leisure Trust Limited (PCLT) Ltd., together with the transfer of staff, assets and facilities currently used to deliver such services.

A Business Plan had been developed which set out the purpose and objectives of the Trust. Members noted the contents of the Business Plan and the way in which the Trust, working in close partnership with the City Council, would support the delivery of the Sustainable Community Strategy.

Cabinet was further asked to note:

- The Business Transfer Agreement, which referred to assets to be transferred, including stock, contracts and most importantly, employees; and
- The Funding and Management Agreement, which set out the terms on which funding will be made available by the Council to the Trust and the Council's expectations in terms of service delivery.
- The comments of the Strong and Supportive Communities Scrutiny Committee, which had considered this matter at its meeting of 18 March 2009, as follows:

- (i) that the Trust should engage with representatives of all communities across the Authority in order to ensure that their interests were represented in the delivery of culture and leisure activities across the city;
- (ii) that a close working relationship with the City Council would be maintained; and
- (iii) that the Trust should report back to Scrutiny after a period of nine months from the date of its formation in order to advise on progress, including financial implications.

In noting the above and supporting the recommendations of the Strong and Supportive Communities Scrutiny Committee, Members raised the following points:

- The Trust's commitment to maintaining and developing services, particularly sports services

The Cabinet Member for Environment and Capital and Culture stated that the Trust would work to ensure services were maintained and developed and would provide a dedicated team to promote activities. Further, it was committed to increasing participation encouraging involvement and the use of facilities by all groups.

- The ownership of items in the Museum collection

Members received assurance that items from the Museum's collection would be on loan to the Trust.

- The Trust's ability to run libraries

In acknowledging that there were currently few Trusts which incorporated library services, the Cabinet Member for Environment Capital and Culture emphasised his view that they were a key part of the cultural and leisure service. He added that the Trust proposed to introduce two new library facilities which would be incorporated into existing local facilities (i.e. shops) in order to maximise accessibility in communities.

- The approach to increasing use of facilities at the Key Theatre

The Cabinet Member for Environment Capital and Culture advised that the Trust would explore the potential for increased use of the Key Theatre, particularly by young people's groups and for school holiday clubs, in order to ensure the facilities were accessible at a realistic cost.

- The way in which the Trust would support the objectives of the Community Strategy

The Cabinet Member for Environment Capital and Culture confirmed that once established, the Trust would seek to build relationships with external bodies and maximise opportunities for new funding. He added that the calibre of current board members was high and additional Trustees would be sought in due course in order to strengthen the Trust further.

- Development of cultural links with other countries/cities and future of the Peterborough Festival

The Cabinet Member for Environment Capital and Culture assured Members that the Trust was keen to support and develop international links and existing events, such as the Festival.

Members thanked the Cabinet Member for Environment Capital and Culture and all other members of the shadow board for their hard work and commitment to date. In response, Councillor Lee emphasised that the Trust must be properly supported by the Council and that working in close partnership with the Trust would be key to its success.

CABINET RESOLVED TO:

- (i) Approve the transfer on behalf of the Council, to Peterborough Cultural & Leisure Trust Ltd (PCLT) of the services (existing and future) that fall within the scope of:
 - Arts Services (to include the Key Theatre and Art Gallery)
 - Heritage Services (to include Peterborough Museum),
 - Library Services (all services)
 - Sports Services (all services),
- (ii) Delegate to the Executive Director of Strategic Resources the authority to enter into any agreements necessary to make the transfer of services under recommendation 1 effective;
- (iii) Delegate authority to the Executive Director of Strategic Resources to agree a 25 year Funding and Management Agreement that will incorporate a five year indicative funding package that will be binding at the level agreed for the first year, but indicative only in subsequent years;
- (iv) Ask the Employment Committee to consider the transfer of staff engaged by the Council on the services to be transferred under recommendation 1 to Peterborough Cultural and Leisure Trust Ltd on a date anticipated to be 1 May 2010, subject to the completion of the PCLT Mobilisation Plan;
- (v) Support the application by the Peterborough Cultural and Leisure Trust Ltd for Admitted Body Status to the Cambridgeshire County Council pension fund and to the Council acting as guarantor in this agreement;
- (vi) Note and support the comments made by the Strong and Supportive Communities Panel.

REASONS

The recommendations would improve service delivery and efficiency of cultural and leisure services in Peterborough.

ALTERNATIVE OPTIONS

In July 2005 KPMG concluded a study which explored a range of options for the then Culture and Recreation Services section of the Council. This review covered in-house delivery, tendering for a commercial operator, a mixed approach to delivery of services and the formation of a trust. This study was followed in October 2006 by a review by Deloitte which considered the same options. Both studies came to the same general conclusions, stating that the optimum way of delivering the kind of cultural services desired by Members was through a Trust. Both the KPMG study and the Deloitte study was reviewed by leading leisure trust solicitors Lawrence Graham, who concurred with the previous findings following a review of the services, and recommended that delivery through a locally established trust was most likely to deliver the best outcome in terms of economy, efficiency, and service development.

An evaluation of the option of including bereavement services within the scope of services that could transfer to a Trust concluded that this would not provide the best outcome, for the following reasons;

- whilst there were clear synergies between art, heritage, library and sport (each of these having a link to people's leisure interests and lifestyles) there is not a natural fit with bereavement services;
- very limited financial benefits would accrue, as crematorium services were not considered to be charitable.

Meeting closed at 6.05 p.m.