

Rother District Council

Record of an officer decision (executive)

Decision Title	Freedom Leisure Financial Support
Reference Number	OED003
Date of Decision	Thursday 2 April 2020
Decision Maker	Executive Directors (Malcolm Johnston and Dr Anthony Leonard)
Authority for delegated decision	Council resolution dated 23 March 2020 as follows: “in respect of critical (Executive Functions) business that cannot wait delegated authority be granted to the Council’s Executive Directors (or in their absence one of the Statutory Post Holders (Section 151 Officer and Monitoring Officer or in their absence a Head of Service) following agreement with the Leader (or in their absence, the Deputy Leader of the Council) and in consultation with a minimum of four Members of Cabinet and Councillor C.R. Maynard, Conservative Group Leader, to make a decision remotely.”
Ward	N/A
Consultation	Consultation with all eight Cabinet Members and Leader of the opposition as agreed under delegated authority. Specific agreement to proceed granted by the Leader of the Council. Following consultation advised that Freedom Leisure already benefit from 80% mandatory business rate relief – under extended scheme this will be 100% relief from business rates. The proposal is to support unavoidable non-salary costs. Officers will review the figures and work with FL in open book accounting, will take account of Government grants and support that is available to them and review the payment on a monthly basis.
Decision made	That financial support of up to £38,000 per month be given to Freedom Leisure to meet their operational costs of the three centres in the District on the proviso that this is in line with many of the other contracts they manage.
Reasons for decision	The Council’s Leisure Operator, Freedom Leisure (a charitable trust), has approached the Council for financial support now that the Leisure Centres and Leisure Pools have closed to help them meet their unavoidable operational costs and the 20% of staffing costs not met by the Government furloughed employee scheme. They have asked for a total monthly support in the order of £66,000 (£38,000 operational costs, £28,000 staffing costs). It is sensible to ensure the continuation of the charitable trust in the short term at least to avoid the contract failing and the Council being liable for the costs of staff and the fixed operational costs. It is proposed therefore that the Council

	provides support for operational costs until the crisis is over and the centres return to use.
Highlight any associated risks, finance / legal / equality considerations	If the Council were not to support Freedom Leisure then it is possible for the contract to fail, and if all their Council partners adopt a similar position, the failure of the charitable trust. If this did happen the Council would inherit responsibility for the properties and the current staffing.
Details of any alternative options considered and rejected	None.
Details of any declarations made	None.

Signed:

Date: 2 April 2020

Melvin Johnson

J. J. Teasdale
