



COUNCIL

MEETING : Thursday, 19th October 2023

PRESENT : Cllrs. Williams (Mayor), Hudson (Sheriff & Deputy Mayor), Cook, Norman, S. Chambers, Lewis, Padilla, Hilton, Chambers-Dubus, Gravells MBE, Tracey, Morgan, Wilson, Bhaimia, D. Brown, Taylor, Field, Patel, Brooker, Finnegan, J. Brown, Hyman, Ackroyd, A. Chambers, Conder, Dee, Evans, Kubaszczyk, Radley, Zaman, Sawyer, Campbell and Trimnell

Officers in Attendance

Managing Director
Monitoring Officer
Corporate Director
Head of Place
Head of Culture and Leisure Services
Head of Finance & Resources
Head of Transformation and Commissioning
Policy & Governance Manager
Democratic and Electoral Services Officer

Also in Attendance

Chair of Board of Trustees and other Trustees, Aspire Sports and Cultural Trust

APOLOGIES : Cllrs. Toleman, Pullen, Bowkett, Castle, Durdey and O'Donnell

38. DECLARATIONS OF INTEREST

38.1 There were no declarations of interest.

38.2 Councillor Gravells proposed to suspend standing orders in accordance with paragraph 26.01 of the City Council Constitution to allow the Chair of the Board of Trustees for Aspire Sports and Cultural Trust to address Council. The motion was put to the vote and was carried.

38.3 Mr Bown, Chair of the Board of Trustees for Aspire Sports and Cultural Trust addressed the Council and explained why the facilities had to close:

COUNCIL

19.10.23

- Two years prior to the closure, Aspire had accrued a debt of £500,000 owed to the City Council and, to ensure that the charity could survive the Covid-19 pandemic, was encouraged not to repay the debt at that time.
- In September 2021, Aspire was informed that any repayment of the debt would be in the context of the charity's recovery and its ability to accrue a surplus over time.
- In October 2021, Co-op bank informed Aspire that they would honour the arrangement agreed upon in regard to the pension bond but were considering whether they would take it beyond September 2023.
- On 4 January 2022, Aspire was informed of the cyber incident experienced by the City Council and the resulting impact on both the City Council and Aspire's IT systems. Aspire lost access to their key software and had to take bookings over the phone.
- In January 2022, the Board asked the Council to write off the £500k debt and received assurances that repayment would not be pursued at that time.
- In April 2022, there was a positive report to Cabinet on Aspire's operations and in that same month, the Council sought certainty on Aspire's position regarding a contract extension to provide the Council with additional time to go out to tender for a new leisure services provider.
- In July 2022, Aspire received correspondence from the Co-op bank, which highlighted concerns about the charity's status as a going concern and the Board asked the Council to write off the £500k debt to resolve the financial concerns. The Co-op bank stated again that they would be unlikely to offer a new or extended pension bond past September 2023.
- In March 2023, the Board confirmed that, if solutions were not achieved, the charity would go into insolvency.
- In April 2023, there was an email exchange between Aspire and the City Council disputing an £18,000 invoice, which was due to the loss of income owing to unsafe fire alarm systems.
- In July 2023, the Board verbally advised that they may agree to a 12-month contract extension. However, in August 2023, an updated performance plan containing extensive conditions that had not been discussed previously was received by the Board, making it difficult for the Trust to agree to the extension.
- On 26 September 2023, the Board received a letter of support from the Council, however, it failed to provide the assurances required as it did not confirm going concern status up to September 2024.
- At this stage, Aspire had three legal challenges: (1) First, there was no adequate going concern statement, which meant the accounts could not be audited; (2) there were no pension bond arrangements in place beyond September 2023, and (3) the £500k debt remained on the balance sheet, making it difficult to trade.
- The Council had agreed to pay the management fee as part of the delivery plan; however, this would have covered expenses only and resulted in no profit. While the Board was minded to agree to the arrangement in order to continue providing leisure services to the people of Gloucester, they had to make the difficult decision that, legally, they could not continue to operate for the duration of the extension.

**COUNCIL
19.10.23**

39. PUBLIC QUESTION TIME (15 MINUTES)

39.1 A local resident asked:

“The closure of the swimming pool will affect many people’s mental health. How will the city council support these people?”

39.2 Councillor Lewis, Cabinet Member for Culture and Leisure, responded:

“The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September. In Gloucestershire, adult mental health services are provided by Gloucestershire Health and Care NHS Foundation Trust. There is a range of information for adults and children who feel they may need some advice or support here:

<https://www.nhsglos.nhs.uk/your-health-services/community-and-hospital-care/mental-health/>

39.3 A local resident asked:

“The lost direct debit payments of members for the gym and pool have been taken and not returned. How will the city council repay these people?”

39.4 Councillor Lewis responded:

“Any creditors with potential claims against the Aspire Trust should take this up with those legally responsible for that organisation, which is currently the Board of Trustees.”

39.5 A local resident asked:

“150 people lost their jobs and were not paid the last months wages. Will the City Council compensate these workers?”

39.6 Councillor Lewis responded:

“Aspire Sports and Cultural Trust were the employer of those who worked at GL1 and as such are responsible for salary and any redundancy payments due as a result of its closure. It is understood that those made redundant were paid up to the end of September and have been advised how to access redundancy pay. Any staff who have not received monies owed to them should raise this with the Aspire Trust, their board of Trustees or their representatives who are legally responsible for that organisation.

39.7 A local resident asked:

“When will the many freelancers who provided lessons at GL1 be paid and will the freelancers be offered hours/sessions by the new provider? They have been left high and dry and weren't even invited to the final meeting.

COUNCIL
19.10.23

They haven't been contacted by the trust or the city council since the closure of GL1.

39.8 Councillor Lewis responded:

“Any creditors with potential claims against the Aspire Trust should take this up with those legally responsible for that organisation, which is currently the Board of Trustees. The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September. As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The new provider will have a wide range of jobs available and will definitely require skilled and knowledgeable staff (and, where appropriate, freelancers) to run the facilities in future.’

39.9 A local resident asked:

“Who had financial oversight of Aspire at the city council and, if they didn't realise that there were problems, who deemed them fit for the role? If they did realise that there were problems what did they do to mitigate the issues?”

39.10 Councillor Lewis responded:

“The Council has held regular management meetings with Aspire Trust throughout the duration of its management contract with the Council. The Council's Overview and Scrutiny Committee has occasionally undertaken oversight of the Aspire Trust and invited its managers to report on performance. As a registered Charity, the Trust was also required to submit audited accounts and other information to the Charity Commission, and these are available on the Charity Commission's website. The Council has provided significant financial and other support to the Aspire Trust, totalling over £1.5m since 2019, as it sought to help the Trust deal with challenges such as Covid and rising utility costs.

In early 2023 the Trust told the Council that it did not believe it could continue to trade for that contract extension period without further financial support, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. Following an independent review of the Aspire Trust's request and business plans, the Council agreed in principle to provide this additional level of funding requested, and believed that it had reached an in-principle agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation.”

39.11 A Local resident submitted the following question:

“Why, after 15 years, hadn't the city council appointed a successor to Aspire in a timely fashion?”

COUNCIL
19.10.23

39.12 Councillor Lewis responded:

“Two years ago, the Council commenced a procurement process to secure a leisure services provider from the expiry date of the contract with the Aspire Trust. The Council obtained the support of an expert leisure consultancy SLC to advise on procurement options and strategy. The options appraisal was considered at a Cabinet meeting on 4 May 2022, and set out a number of recommendations as to how the Council should proceed, including:

- That the contract period with Aspire Leisure and Culture Trust be extended by a further 12 months on the condition that a Partnership Development Plan (PDP) is agreed for the duration of this extension, and
- To procure a new leisure contract from an external provider.

The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12 month contract extension period, and an associated management fee for that period.”

39.13 A local resident asked:

“Who at the city council is being held responsible for this fiasco? The citizens of Gloucester have been badly let down. Don't let finger pointing or self aggrandisement after the event cloud the fact that these essential services are now closed.”

39.14 Councillor Lewis responded:

“The Council was surprised and disappointed by the decision of the Aspire Trust to cease to manage these facilities and to enter into liquidation. The decision to cease to manage these facilities and to terminate the contract was taken by the Aspire Trust alone.”

39.15 A local resident asked:

“Why was staff told suddenly on the Friday when GL1 Leisure Centre was to close that day no notice (when the council and Aspire would of known for at least several days before hand?”

39.16 Councillor Lewis responded:

“The Council understands that the Board of Trustees took a decision to terminate its contract to run these facilities at a Board meeting on September 26th. The Council was privately informed on September 27th and was asked to keep this information private and confidential until the Trust could inform its employees directly itself, which it did on Friday 29th September.”

39.17 A local resident asked:

COUNCIL
19.10.23

“Why was the users not told on the Friday when they used the Facilities at GL1 leisure centre that was there last time (again kept rather secret from them also when the council and aspire would of known in advance)?”

39.18 Councillor Lewis responded:

“Decisions about the timing of any announcements relating to the Aspire Trust’s decision to cease to manage these facilities were a matter for those legally responsible for that organisation, which is currently the Board of Trustees. The Council understands that the Board of Trustees took a decision to terminate its contract to run these facilities at a Board meeting on September 26th. The Council was privately informed of this decision on September 27th and was asked to keep this information private and confidential until the Trust could inform its employees, which it did on Friday 29th September.”

39.19 A local resident submitted the following question:

“Knowing that the council would of known that aspire was in financial difficulty why didn’t they step in to assist where possible all find another provider for GL1 leisure centre at that point not leave it to the last minute on the day they closed the doors?”

39.20 Councillor Lewis responded:

“The Council has provided significant financial and other support to the Aspire Trust, totalling over £1.5m since 2019, as it sought to help the Trust deal with challenges such as Covid and rising utility costs.

The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.

In early 2023 the Trust told the Council that it did not believe it could continue to trade for that contract extension period without further financial support, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. Following an independent review of the Aspire Trust’s request and business plans, the Council agreed in principle to provide this additional level of funding requested and believed that it had reached an in-principal agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation. The Council was informed of this decision on Wednesday 27th September.

Since being informed of this decision, the Council has been working hard to get the leisure facilities reopened as soon as possible. As part of that work, the Council has begun the process of procuring a new interim leisure

COUNCIL
19.10.23

services operator to reopen and manage the facilities for the next 12-18 months.”

39.21 A local resident asked:

“When will the facilities be back open to the much needed public and this time will the council wake up and assist not de assist people this is a well loved public facility so why don't they let the public run it for its self (like for example a public interest Company)?”

39.22 Councillor Lewis responded:

“The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.

As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The Council hopes to appoint this interim service provider by the end of the month. It is looking for that operator to mobilise as soon as possible after appointment.

Two years ago, the Council commenced a procurement process to secure a leisure services provider from the expiry date of the contract with the Aspire Trust. The Council obtained the support of an expert leisure consultancy SLC to advise on procurement options and strategy. The options appraisal was considered at a Cabinet meeting on 4 May 2022, and recommended that the best sourcing option for the Council would be to procure a new leisure contract from an external provider. The appraisal identified that insourcing this service would be the most expensive option for the taxpayer, and would not deliver any service benefits.”

39.23 A local resident asked:

“Why did the council not jump in to help or try and rescue aspire trust; why instead, on the day of their closure, the council blame aspire trust failing and instead of pointing the finger like the council did, stand up and offer all their help? Clearly the council have some involvement in these failing and are trying to hide them.”

39.24 Councillor Lewis responded:

“The Council was surprised and disappointed by the decision of the Aspire Trust to cease to manage these facilities and to enter into liquidation. The Council has provided significant financial and other support to the Aspire Trust, totalling over £1.5m since 2019, as it sought to help the Trust deal with challenges such as Covid and rising utility costs.

The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a

**COUNCIL
19.10.23**

Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.

In early 2023 the Trust told the Council that it did not believe it could continue to trade for that contract extension period without further financial support, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. Following an independent review of the Aspire Trust's request and business plans, the Council agreed in principle to provide this additional level of funding requested and believed that it had reached an in-principal agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation. The Council was informed of this decision on Wednesday 27th September.

The decision to cease to manage these facilities and to terminate the contract was taken by the Aspire Trust alone. Since being informed of this decision on September 27th, the Council has been working hard to get the leisure facilities reopened as soon as possible."

39.25 A local resident asked:

"I would like to express my disappointment and anger at how the staff at GL1 Aspire have been treated in the closure process. Can I ask if the correct legal procedure for notification of redundancy has been followed and what provision has been made for staff who no longer have an income?"

39.26 Councillor Lewis responded:

"The Council shares your disappointment at the decision of Aspire Trust to cease to manage these facilities at the end of September. Matters relating to the redundancy procedures followed by the Trust are a matter for those legally responsible for the Trust, which is currently the Board of Trustees.

The Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The new provider will have a wide range of jobs available and will definitely require skilled and knowledgeable staff to run the facilities in future. The Council has told those companies interested in this contract that staff recently made redundant by Aspire should be guaranteed interviews.

So far, all of the shortlisted providers have indicated that they are committed to doing this. They recognise the skills and talents and commitment of former staff and they have warmly embraced the opportunity to interview staff."

39.27 A local resident asked:

"It is very difficult to understand how no alternative provision has been thought through or planned for all the users of GL1. What will happen to the hundreds of school children where it is a National Curriculum requirement for

COUNCIL
19.10.23

children to learn to swim? Does the Council not have a duty of provision or care to provide this?"

39.28 Councillor Lewis responded:

"There is no statutory duty on Councils to provide leisure services. The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September."

Note: A total of 29 public questions were received. To ensure the efficient transaction of the meeting's business, questions from those present at the meeting were answered and responses to the remaining questions are appended to these minutes.

40. PETITIONS AND DEPUTATIONS (15 MINUTES)

40.1 There were no petitions or deputations:

41. PROVISION OF LEISURE SERVICES

41.1 Councillor Norman, Deputy Leader of the Council and Cabinet Member for Performance and Resources, moved the recommendations set out in the report.

41.2 Councillor Norman noted that since 2020, the market had been challenging for leisure facilities from various reasons, including closures during the Covid-19 pandemic and inflationary pressures, exacerbated by the Russian invasion of Ukraine, which affected utilities costs and other services. She advised that local government also faced inflationary pressures and that for the 2023/24 financial year, the Council was currently estimating a £1.504m overspend.

Councillor Norman explained that since 2019, the Council had provided Aspire with £1.5m in financial support, including management fees, without seeking repayment. In the 2023/24 budget, the Council allocated £360k to Aspire and when the Board requested an additional £260k to fund their operations, the Council commissioned an independent report to obtain the assurances needed ensure that it would be a prudent use of taxpayers' money. The independent report outlined four key recommendations that Aspire needed to adhere to. They were:

1. Transparent financial reporting – to enable the Council to better understand Aspire's financial situation and identify areas where cost-saving measures could be implemented.
2. Collaborative Revenue Enhancement Plan – to set out mechanisms for enhancing revenue and strategies for implementing and achieving the proposals in collaboration with the Council.

COUNCIL
19.10.23

3. Independent energy audit - to assess current energy usage, identify potential energy-saving measures, and estimate the financial impact of implementing those measures.
4. Assessment of staff costs – as Aspire’s budget for 2023/2024 allocated an additional £500k on staff costs, this was necessary to understand where that money was being spent, any pay increases, and whether the expenditure was essential.

Councillor Norman stated that the report raised concerns about Aspire’s management of the city’s leisure services. Of particular concern was Aspire's decision to increase all staff salaries by 9.3% while facing financial difficulties. She acknowledged that the level of increase was understandable for those on lower incomes facing the impact of the cost of living crisis, but was questionable for those on higher salaries and noted that Council officers on comparable salaries received a pay award of between 2.2% and 2.5%. She advised, however, that the Council agreed to provide the additional funding, provided that Aspire adhered to the conditions outlined in the independent report.

Councillor Norman stated that the Administration had been shocked and saddened for the residents of Gloucester and the staff affected when they received notification that Aspire had decided to close the facilities. She emphasised that, within three weeks, the Council had already reopened some services, including swimming club sessions, and would continue to work tirelessly to reopen the rest of the leisure services for Gloucester’s residents. She expressed hope that the recommendations in the report would receive unanimous support.

41.3 Councillor Lewis seconded the motion.

41.4 Councillor Sawyer proposed the following amendment, which was seconded by Councillor Field, and proposed a replacement for recommendation (1) only:

“Council is asked to **RESOLVE** that:

- (1) ~~The background to Aspire Trust’s decision to seek to go into liquidation and the Council’s disappointment at this decision is noted.~~ **The report and appendices into the closure of the sports centres be noted with council recording its concern that more wasn’t done to keep the sports centres open.**

41.5 Councillor Sawyer stated that the Liberal Democrat Group would support the proposals aimed at moving forward to reopen the leisure services, but was moving an amendment to place on record an acknowledgement that the Administration could and should have done more to prevent the closure of services, given their knowledge of the financial issues Aspire was facing. She noted that the Administration had started the process of procuring a new leisure services provider too late, despite having 15 years to prepare, and that they were aware of the pension bond issues that would make it legally impossible for them to continue operating. She questioned why the Council

COUNCIL
19.10.23

had not thoroughly reviewed Aspire's accounts and asserted that the Administration could not claim to be surprised at the situation when the financial challenges were known to them.

- 41.6 Councillor Field, seconding the amendment, stated that the purpose of the amendment was to balance out a 'blame game' that had been occurring. He observed that Aspire had tried to continue operating, and while additional funding had been offered, the Administration had taken no action regarding the issue with the pension bond. He noted that the decision to outsource leisure service provisions to Aspire had been proposed by the Conservative Administration 15 years ago, with the claim that it would become self-funding and save taxpayers' money, but this had not materialised. He advised that the Overview and Scrutiny Committee had repeatedly attempted to obtain an update on the Aspire situation, but this was not forthcoming. He stated that the Administration should have been fully aware of Aspire's financial challenges a long time ago and should take responsibility and offer an apology for the current situation because not enough had been done to prevent it.
- 41.7 Councillor Norman advised that the amendment was not accepted.
- 41.8 Councillor Wilson highlighted that the leisure services contract had a 15-year duration and the Administration had had plenty of time to procure a new provider yet tried to rush through a last-minute contract extension. He stated that, while the Liberal Democrat group agreed with recommendations 2-6, the report provided a one-sided narrative of the events and left out important facts that contributed to the closure of the services, such as the impact of the cyber incident and the lack of interest in the pension bond concerns. He questioned what was discussed in contract management meetings between the Administration and Aspire and stated that more should have been done to prevent the closure.
- 41.9 Councillor A. Chambers stated that he supported the amendment and agreed that the report omitted important information on what had led to the closure of services. He expressed regret that the closure had affected many residents, particularly the staff members who lost their jobs and were facing financial difficulty and could not accept that the Administration were surprised by the current situation. He remarked that the £1.5m given to Aspire since 2019 could have been better spent on roads, schools, and other vital infrastructure and that the Council should have had options for replacement service providers in place several years before the end of the contract.
- 41.10 Councillor Cook, Leader of the Council and Cabinet Member for Environment, stated that the Council was procurement-ready, but had been advised by experienced independent consultants that, due to the impact of Covid-19, it was not the right time to commence the procurement and to pursue a contract extension instead, thus Aspire was offered the additional funding requested. He emphasised that it would not have been appropriate to write off Aspire's debt, as it was taxpayers' money. He advised that that regular meetings took place with Aspire noting that both the former and

COUNCIL
19.10.23

current Section 151 Officers had expressed concerns about the robustness and transparency of Aspire's accounts and the financial information provided.

- 41.11 Councillor Dr. Finnegan highlighted that it had previously been common practice for representatives from Aspire to attend the Overview and Scrutiny Committee to report on performance, but that she could not recall any attendance in recent years.
- 41.12 Councillor Chambers-Dubus noted that the Labour Group had raised concerns about Aspire several times, including in early 2023, and that the Administration had been aware of the financial concerns, but did not do enough to prevent them from escalating. She questioned why £1.5m had been provided to Aspire since 2019 instead of focusing on exploring alternative options and called on the Administration to take accountability for the closure of services.
- 41.13 Councillor Lewis stated that he did not accept the points made by opposition Councillors. He advised that he had attended meetings to discuss Aspire's financial situation and that the information provided lacked sufficient detail. He expressed, however, that he did not want to engage in a blame game and that he was instead focused on looking forward, restoring services and helping former Aspire staff, many of whom he'd spoken with, to find employment with the new provider. He noted that he, along with Council officers, the City's MP, Richard Graham, and others had worked tirelessly to begin the process of reopening the facilities.

Councillor Lewis agreed that the circumstances leading to the closure of leisure services should be investigated at the appropriate time, but that the purpose of the report was to obtain approval for the steps required to reopen the leisure services as quickly as possible and provide employment for former Aspire staff. He noted that both the Audit and Governance Committee and the Overview and Scrutiny Committee could have looked into or raised concerns and that he would have been happy to attend if invited. He concluded by stating that the Administration could not be held responsible for Aspire's decision to cease operating.

- 41.14 Councillor Dr. Trimnell stated that she was unable to accept the Administration's position and that the need to take accountability could not be ignored. She questioned how long freelance workers could be expected to wait to get their jobs back.
- 41.15 Councillor Patel stated that it was not constructive to apportion blame at the current time and that he believed all Members worked hard to do their best for the residents of Gloucester. He noted that an investigation was needed in due course, but stressed the importance of looking forward in order to reopen the services. He expressed gratitude to the Cabinet Member for Leisure and Culture, the rest of the Cabinet, senior officers, and the City MP for their efforts towards reopening the services, which were of vital importance to both the physical and mental health of residents.

COUNCIL
19.10.23

- 41.16 Councillor Hyman stated that he believed the Council did have a duty to provide leisure services, even if it was not a statutory requirement, and that the Administration should be held accountable. He expressed his concern at the impact of the closure on the 150 staff who had lost their jobs and noted that it was unacceptable that some staff members had found out the news of their employment termination via social media.
- 41.17 Councillor Padilla, Cabinet Member for Communities and Neighbourhoods, stated that it had been a very difficult time for the residents and staff members and that it was unfortunate that Aspire were unable to fulfil their commitments. He commended the efforts to reopen services and stated that it was necessary for all stakeholders to work together to achieve a full return for the good of residents' health and wellbeing.
- 41.18 Councillor Morgan stated that it was counterproductive to look backwards when 150 people had lost their jobs and residents of Gloucester had lost access to vital leisure services. He called for Members to be united in working towards opening all services as swiftly as possible. He expressed confidence in Cabinet Members and officers working on the solution and said he was hopeful that an improved leisure service could be provided.
- 41.19 The amendment was put to a vote and was lost. Members reverted to debating the recommendations set out in the report and moved by Councillor Norman.
- 41.20 Councillor Hilton, Leader of the Liberal Democrat Group, stated, while his Group would support the recommendations in order to progress the reopening of services, the Administration was at fault and should have considered alternative options for providing leisure services much earlier, instead of focusing entirely on outsourcing when there were a number of examples where the outsourcing of Council services had not been successful. He expressed concern at the condition of various aspects of the facilities, which he believed had not been properly maintained over time, and called for work to be carried out. He noted that the Cabinet Member for Culture and Leisure had committed to reopening the swimming pool to the public before 1 January 2024 and that it was essential that this commitment was met.
- 41.21 Councillor Patel noted that there were various routes for opposition Councillors to raise concerns about services, including through their chairmanship of both the Audit and Governance Committee and the Overview and Scrutiny Committee. He reiterated Councillor Norman's concern regarding the pay rise awarded to senior Aspire staff during a time of financial challenge.
- 41.22 Councillor Sawyer stated that it was the role of the Administration to ensure proper oversight of the all services and contracts, including Aspire.
- 41.23 Councillor Chambers-Dubus expressed concern that the Aspire situation was mirroring previous experiences with outsourced Council services that ended badly, and that simply finding a new provider without considering

COUNCIL
19.10.23

other options further risked taxpayers' money. She noted that the additional £260k that Aspire had requested could have been put towards bringing the services in-house.

- 41.24 Councillor A. Chambers stated that it would have been helpful if representatives from Aspire had been permitted to be more involved in the debate. He stated that everyone wanted the services to reopen and that he wanted staff to receive any lost pay and for those who had paid for services to be refunded. He stated that he believed Councillor Lewis was doing his best to resolve the situation, but that the Council was operating reactively instead of proactively because it did not have a replacement service provider in place in good time.
- 41.25 Councillor Dr Finnegan noted that the Chair of the Overview and Scrutiny Committee had not asked for representatives from Aspire to report to the Committee in recent years.
- 41.26 Councillor Lewis stated that he was focused on looking forward and getting former Aspire staff into roles with the new provider.
- 41.27 Councillor Norman reiterated that it was Aspire that took the decision to close the facilities and that the Administration could not be blamed when they had consistently offered support. She noted that Gloucester was not alone in experiencing issues with its leisure provision and cited several examples from around the country in local authorities run by different political parties. She noted that representatives from Aspire had not been asked to report to the Overview and Scrutiny Committee since January 2019 and that Members could have requested the opportunity to challenge the service provider. She questioned Aspire's reference to the management fee not resulting in profit, when the organisation claimed to be a not-for-profit operation. She concluded by emphasising that Aspire had not provided the Council with sufficient financial transparency and asked Members to support the motion to enable services to reopen as quickly as possible.
- 41.28 **RESOLVED** that:
- (1) The background to Aspire Trust's decision to seek to go into liquidation and the Council's disappointment at this decision is noted.
 - (2) Authority is delegated to the Managing Director, in consultation with the Head of Finance and Resources, to enter negotiations with Aspire Trust to work with their liquidators to secure the best outcome for all creditors of the Aspire Trust, including the Council.
 - (3) Authority is delegated to the Managing Director, in consultation with the Cabinet Member for Culture and Leisure and the Cabinet Member for Performance and Resources, to procure a temporary provision and award a contract to an interim services provider to manage the facilities at GL1 and Oxstalls, with an aspiration that all those recently made redundant by Aspire Trust be given guaranteed priority interviews for relevant roles in the new provision.

COUNCIL
19.10.23

- (4) Authority is delegated to the Managing Director with the support of other appropriate officers to continue to procure a long-term partner to manage the leisure provision within the City in accordance with the Council's Sport and Physical Activity Strategy.
- (5) Officers are to provide regular updates to Party Group Leaders on the reestablishment of leisure services to the community, and to periodically report to the Overview and Scrutiny Committee.
- (6) A leisure contingency reserve fund of £260k is established to support the development of this interim leisure service management. Funding to be drawn down by the Managing Director and the Head of Culture and Leisure after consultation with the Cabinet Member for Culture and Leisure and the Cabinet Member for Performance and Resources.

42. NOTICES OF MOTION

- 42.1 Councillor Hilton proposed and Councillor Wilson seconded the following motion:

"This council notes the closure of city council leisure and sports facilities following the collapse of Aspire Sports and Cultural Trust that operated GL1 Leisure Centre and the Oxstalls Tennis Centre on the council's behalf.

This council agrees that the public and users of these sports facilities should not have to wait 12 months before they are reopened.

This council calls on the administration to reopen these facilities as early as possible using staff directly employed by the city council if necessary."

- 42.2 Councillor Cook moved, and Councillor Lewis seconded the following amendment:

"This council notes the closure of city council leisure and sports facilities following the collapse of Aspire Sports and Cultural Trust that operated GL1 Leisure Centre and the Oxstalls Tennis Centre on the council's behalf.

This council agrees that the public and users of these sports facilities should not have to wait 12 months before they are reopened.

This council calls on the administration to reopen these facilities as early as possible using **Aspire's former** staff ~~directly employed~~ **engaged** by the city council's **interim service provider** if necessary **where possible**."

- 42.3 Councillor Hilton accepted the amendment, which became part of the substantive motion.

- 42.4 Councillor Field moved, and Councillor Hyman seconded the following amendment:

**COUNCIL
19.10.23**

“This council notes the closure of city council leisure and sports facilities following the collapse of Aspire Sports and Cultural Trust that operated GL1 Leisure Centre and the Oxstalls Tennis Centre on the council’s behalf.

This council calls on the cabinet member for culture and leisure to provide a written apology to the staff of Aspire, the users of the sports centres, to members of the council and city council taxpayers for his administration’s failure to negotiate a continuation of the contract with Aspire, which would have stopped the dramatic closure of the council’s sports facilities.

This council agrees that the public and users of these sports facilities should not have to wait 12 months before they are **fully** reopened.

This council calls on the administration to reopen these facilities as early as possible using Aspire’s former staff engaged by the city council’s interim service provider where possible.”

- 42.5 Councillor Hilton requested that the amendment be put to the vote and five Members of the Liberal Democrat Group requested that votes be recorded. The vote was lost.

Councillor	For	Against	Abstaining
Williams		Y	
Hudson		Y	
Cook		Y	
Norman		Y	
S. Chambers		Y	
Lewis		Y	
Padillia		Y	
Hilton	Y		
Chambers-Dubus	Y		
Gravells		Y	
Tracey		Y	
Morgan		Y	
Wilson	Y		
Bhaimia		Y	
D. Brown	Y		
Taylor		Y	
Field	Y		
Patel		Y	
Brooker		Y	
J. Brown	Y		

**COUNCIL
19.10.23**

Hyman	Y		
Finnegan		Y	
Ackroyd		Y	
A. Chambers		Y	
Dee		Y	
Evans		Y	
Kubaszczyk		Y	
Radley	Y		
Zaman		Y	
Sawyer	Y		
Campbell		Y	
Trimnell	Y		
Total:	10	22	0

42.6 **RESOLVED** that:

This council notes the closure of city council leisure and sports facilities following the collapse of Aspire Sports and Cultural Trust that operated GL1 Leisure Centre and the Oxstalls Tennis Centre on the council's behalf.

This council agrees that the public and users of these sports facilities should not have to wait 12 months before they are reopened.

This council calls on the administration to reopen these facilities as early as possible using Aspire's former staff engaged by the city council's interim service provider where possible.

Time of commencement: 6.30 pm hours

Time of conclusion: 8.20 pm hours

Chair

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Council 19 October 2023

Schedule of Public Questions

The following questions have received a written response as the questioner was not present at the meeting. Please see the minutes of the meeting for the public questions asked and answered at the meeting.

No.	Question from/to	Question
1.	From RW to the Cabinet Member for Culture and Leisure	On Friday 29th October at 2.30pm we former workers of Aspire were made redundant and we now have only been guaranteed an interview for any job. How would you on the council feel if you were told one day you are made redundant for no reason of your own then told to reapply for your job then be told you were not good enough for that job?
Response:		
<p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.</p> <p>As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The new provider will have a wide range of jobs available and will definitely require skilled and knowledgeable staff to run the facilities in future. The Council has told those companies interested in this contract that staff recently made redundant by Aspire should be guaranteed interviews.</p> <p>So far, all of the shortlisted providers have indicated that they are committed to doing this. They recognise the skills and talents and commitment of former staff and they have warmly embraced the opportunity to interview staff.</p>		
2.	From KW to the Cabinet Member for Culture and Leisure	I have read that the request by GCC to Aspire for a 1-year extension to continue running the facilities had been 'on the table' since early this year. From what I have read GCC put too much faith/trust that Aspire would continue and that belief then caused GCC to be caught out. Aspire had not signed any agreement to extend beyond 30/9/23 so surely this should have raised doubts even concerns that Aspire would continue - therefore why didn't GCC have a contingency plan for Aspire continuing not to sign the extension agreement?
Response:		
<p>The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.</p>		

	<p>In early 2023 the Trust then told the Council that it did not believe it could continue to trade for that period, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. The Council agreed in principle to provide this additional level of funding requested, and believed that it had reached an in-principle agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation.</p>	
3.	<p>From KW to the Cabinet Member for Performance and Resources</p>	<p>I was under the impression that some Councillors were still on the Aspire Directors Board? Obviously anyone sitting on the Board have a first duty of responsibility to Aspire and not to GCC however surely they must have had an opinion on whether Aspire were going to continue and could have indicated to GCC?</p>
	<p>Response:</p> <p>At the end of September, two current Councillors were on the Board of the Aspire Trust.</p> <p>Any Trustees have a legal duty of responsibility towards that Trust on which they serve, and this may include duties in relation to maintaining confidentiality of board discussions and decision making.</p> <p>The Council understands that the Board of Trustees took a decision to terminate its contract to run these facilities at a Board meeting on September 26th. The Council was privately informed of this decision on September 27th and was asked to keep this information private and confidential until the Trust could inform its employees, which it did on Friday 29th September.</p>	
4.	<p>From LS to the Cabinet Member for Culture and Leisure</p>	<p>We must have a leisure centre in Gloucester in the city centre. So many different people used GL1 from all abilities and backgrounds. It must be reopened for all to use. When can this be expected? A year is much too long to be without this facility.</p>
	<p>Response:</p> <p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September. Currently a phased reopening of facilities at Oxstalls and GL1 has commenced, with usage of external grass, 2G, 3G and 4G pitches resuming, and Gloucester City Swimming Club restarting training sessions at GL1</p> <p>As part of that work, the Council is seeking to procure a new interim leisure services operator to fully reopen and manage the facilities for the next 12-18 months. The Council hopes to appoint this interim service provider by the end of the month. It is looking for that operator to mobilise as soon as possible after appointment.</p>	

5.	From RL to the Cabinet Member for Culture and Leisure	The council officers dealing with the new contract must have been aware of Aspire's concerns regarding funding and their reservations about the additional year contract. If they weren't aware why not?
Response:		
<p>The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.</p> <p>In early 2023 the Trust then told the Council that it did not believe it could continue to trade for that period, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. Following an independent review of the Aspire Trust's request and business plans the Council agreed in principle to provide this additional level of funding requested, and believed that it had reached an in-principal agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation.</p>		
6.	From RL to the Cabinet Member for Culture and Leisure	Why couldn't the council have reassured Aspire that the funding was assured or have worked together with Aspire on finding any shortfall? This would presumably have averted Aspire from pulling out.
Response:		
<p>The Council has held regular management meetings with Aspire Trust throughout the duration of its management contract with the Council.</p> <p>The Council has provided significant financial and other support to the Aspire Trust, totalling over £1.5m since 2019, as it sought to help the Trust deal with challenges such as Covid and rising utility costs.</p> <p>The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.</p> <p>In early 2023 the Trust told the Council that it did not believe it could continue to trade for that contract extension period without further financial support, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. Following an independent review of the Aspire Trust's request and business plan, the Council agreed in principle to provide this additional level of funding requested, and believed that it had reached an in-principle agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation.</p>		

7.	From GD to the Cabinet Member for Culture and Leisure	What will happen to the 150 brilliant members of staff who are out of a job without any explanation from Aspire and when will the city council mismanagement of this situation be resolved? GL1 cannot be allowed to remain closed as it offers so much for its schools and members.
Response:		
<p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.</p> <p>As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The new provider will have a wide range of jobs available and will definitely require skilled and knowledgeable staff to run the facilities in future. The Council has told those companies interested in this contract that staff recently made redundant by Aspire should be guaranteed interviews.</p> <p>So far, all of the shortlisted providers have indicated that they are committed to doing this. They recognise the skills and talents and commitment of former staff and they have warmly embraced the opportunity to interview staff.</p>		
8.	From TT to the Cabinet Member for Culture and Leisure	Why is the council subcontracting out such an important service? Where was the supplier oversight and where was the oversight the company's finances?
Response:		
<p>Two years ago, the Council commenced a procurement process to secure a leisure services provider from the expiry date of the contract with the Aspire Trust. The Council obtained the support of an expert leisure consultancy SLC to advise on procurement options and strategy. The options appraisal was considered at a Cabinet meeting on 4 May 2022, and recommended that the best sourcing option for the Council would be to procure a new leisure contract from an external provider. The appraisal identified that insourcing this service would be significantly the most expensive option for the taxpayer, and would not deliver any service benefits.</p> <p>The Council has held regular management meetings with Aspire Trust throughout the duration of its management contract with the Council. As a registered Charity, the Trust was also required to submit audited accounts and other information to the Charity Commission, and these are available on the Charity Commission's website.</p>		
9.	From TT to the Cabinet Member for Culture and Leisure	You knew the contract was coming to an end - what action was being taken to secure a replacement?
Response:		
The Council was surprised and disappointed by the decision of the Aspire Trust to cease to manage these facilities and to enter into liquidation.		

	<p>Two years ago, the Council commenced a procurement process to secure a leisure services provider from the expiry date of the contract with the Aspire Trust. The Council obtained the support of an expert leisure consultancy SLC to advise on procurement options and strategy. The options appraisal was considered at a Cabinet meeting on 4 May 2022, and recommended that the best sourcing option for the Council would be to procure a new leisure contract from an external provider.</p> <p>The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.</p> <p>In early 2023 the Trust told the Council that it did not believe it could continue to trade for that contract extension period without further financial support, and shared business plans and forecasts setting out the additional amount of support it believed it needed to continue. Following an independent review of the Aspire Trust's request and business plans, the Council agreed in principle to provide this additional level of funding requested and believed that it had reached an in-principle agreement with the Trust to continue on that basis. However, the Board of Trustees decided on September 26th not to continue to provide leisure services and to enter into liquidation. The Council was informed of this decision on Wednesday 27th September.</p>	
10.	From TT to the Cabinet Member for Culture and Leisure	What is being done to get this very important facility back open?
<p>Response:</p> <p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.</p> <p>As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The Council hopes to appoint this interim service provider by the end of the month. It is looking for that operator to mobilise as soon as possible after appointment.</p>		
11.	From LH to the Cabinet Member for Culture and Leisure	Why will it take till January to fully open the pools and GL1 when you have experienced staff who can run the building?
<p>Response:</p> <p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.</p> <p>As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months. The Council hopes to appoint this interim service provider by the end of the</p>		

	<p>month. It is looking for that operator to mobilise as soon as possible after appointment.</p> <p>In advance of that, the Council has reopened the pool for Gloucester City Swimming Club to resume training sessions from Monday 16th October.</p>	
12.	From LH to the Cabinet Member for Culture and Leisure	What measures will the council put in place to stop this from happening again?
Response:		
<p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.</p> <p>As part of that work, the Council is seeking to procure a new interim leisure services operator to reopen and manage the facilities for the next 12-18 months.</p> <p>The Council is also progressing the procurement of a longer-term leisure services operator to manage these facilities.</p> <p>This has been a particularly challenging few years for the leisure sector, as people were slow to return after Covid to indoor leisure facilities. Increases to the minimum wage thresholds has pushed up staffing costs. And the impact of the rise in energy costs has been huge, as the consumption of energy to run facilities – particularly swimming pools - is very high. Several other leisure operators have also ceased trading in recent years around the country after facing similar challenges.</p> <p>Two years ago, the Council commenced a procurement process to secure a leisure services provider from the expiry date of the contract with the Aspire Trust. The Council obtained the support of an expert leisure consultancy SLC to advise on procurement options and strategy. The options appraisal was considered at a Cabinet meeting on 4 May 2022, and recommended that the best sourcing option for the Council would be to procure a new leisure contract from an external provider.</p>		
13.	From LH to the Cabinet Member for Culture and Leisure	Why didn't the council step in on the 27th when they were first made aware of the issues with Aspire and Why was another provider not sought out (or at least further along in the process) before the end of the Aspire contract, bearing in mind the reported accounts in early 2023.
Response:		
<p>The Council was surprised and disappointed by the decision of the Aspire Trust to cease to manage these facilities and to enter into liquidation.</p> <p>The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.</p>		

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14.	From GN to the Cabinet Member for Culture and Leisure	<p>Why was there no contingency for the contract of GL1 other than Aspire to take it on for one more year before going out to tender? It is a real shame that the leisure centre has closed as it was a hub of activity and a place for people to keep fit, especially those who can't afford other options. I would like to see GL1 reopened as soon as possible.</p>
Response:		
<p>The Council is working hard to get the leisure facilities reopened as soon as possible following the surprising and disappointing decision of Aspire Trust to close them at the end of September.</p>		
<p>The Council began negotiating with the Aspire Trust over a contract extension in March 2022. In July 2022, the Council and the Trust agreed a Partnership Delivery Plan for that 12-month contract extension period, and an associated management fee for that period.</p>		
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Response:		
<p>The Council has provided significant financial and other support to the Aspire Trust, totalling over £1.5m since 2019, as it sought to help the Trust deal with challenges such as Covid and rising utility costs.</p>		

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15.	<table border="1"> <tr> <td data-bbox="272 958 687 1070">From BB to the Cabinet Member for Culture and Leisure</td> <td data-bbox="687 958 1431 1070">I believe not only Aspire trust but the council need fully investigating, are both willing to comply with such investigations?</td> </tr> <tr> <td colspan="2" data-bbox="272 1070 1431 1292"> <p>Response:</p> <p>The Council is a democratic and transparent organisation, open to scrutiny through established legislative processes, and is accountable to the electorate.</p> <p>The Aspire Trust is a registered charity and company limited by guarantee. As a registered charity it is accountable to the Charity Commission.</p> </td> </tr> </table>	From BB to the Cabinet Member for Culture and Leisure	I believe not only Aspire trust but the council need fully investigating, are both willing to comply with such investigations?	<p>Response:</p> <p>The Council is a democratic and transparent organisation, open to scrutiny through established legislative processes, and is accountable to the electorate.</p> <p>The Aspire Trust is a registered charity and company limited by guarantee. As a registered charity it is accountable to the Charity Commission.</p>	
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