

LEISURE SURPLUS SHARE

EXECUTIVE MEMBER: Councillor Allan Holliday

LEAD OFFICER: Philip Sutton

REPORT AUTHOR: Philip Sutton

Summary: To request approval from the executive for the payment of the 2004-05 leisure surplus share scheme.

Recommendation: Members are asked to note the report and approve the payment of the surplus share for the financial year 2004-2005 and for the principal of the surplus share scheme.

Impact on delivering Copeland 2020 objectives: The surplus share scheme is seen to contribute to the efficiency and effectiveness of the service.

Impact on other statutory objectives (e.g. crime & disorder, LA21): None directly from this report but it is worth noting that the provision of Leisure facilities and activities has been proven to make significant contributions to the reduction in crime and disorder. The Leisure facilities provide numerous alternate and constructive outlets for leisure time especially for young people.

Financial and human resource implications: The proposed sum for distribution is £25,000 which includes £5,000 for on costs. The payment will be met from the surplus generated by the Leisure Service during the trading year 2004-2005. It has been provided for within the pre-audited 2004-2005 final accounts.

Project & Risk Management: Not applicable

Key Decision Status

- **Financial:** Nil
- **Ward:** None

Other Ward Implications: None

1. BACKGROUND

1.1 The surplus share scheme was introduced in 1992 as a means of compensating staff for terms and conditions surrendered in order to operate the leisure contract. It has been seen as a valuable way of motivating employees to participate fully in the development of the

service delivery, by encouraging efficiency savings and as a means of keeping sickness levels low. It has also, in the past, represented good value for money for the Council in comparison to reinstating terms and conditions of service back to former levels.

- 1.2 Over time various revisions have been made to scheme. Of note is CS 54, 03/12/98 and a subsequent minor revision, which differentiated between staff who had a small amount of absence and those who had a significant amount and a gradual reduction in the levels of payments made under the scheme because a significant number of the lost terms and conditions have been reinstated and staff who have subsequently joined the service have not had to work under the original conditions.
- 1.3 The scheme was reviewed and updated last year. A Members decision to continue it, with minor revisions, (exclusion of non contracted staff and a deminimus limit of £20.00) until such time as job harmonisation has been completed, has been accepted. Executive 27.4.04 applies.
- 1.4 The current scheme is currently available to, and based upon, the attendance of every eligible member of staff working at the Sports Centre, The Swimming Pool and the Civic Halls at Whitehaven and Cleator Moor.

2 ARGUMENT

- 2.1 The surplus generated during the year 2004-2005 is as a result of a combination of factors including the performance of staff and savings arising from efficiencies made by the sites participating combined with conditions of service which remain lower than comparable staff elsewhere in the Council.
- 2.2 It is probable that job harmonisation would increase the pay bill for The Sports Centre, Civic Halls and Swimming Pool by an estimated £54,400 plus employers contributions. Set against this is the proposed payment of £25,000 including £5,000 for oncosts for the 2004-2005 surplus share scheme. Thus the scheme represents an estimated saving of £29,400.
- 2.3 In 2004-2005 the average number of days lost through all sickness amongst staff working in the Leisure facilities, under the scheme was 4.7 days per full time equivalent employee (including long term sickness) this is significantly less than the Council's average.
- 2.4 Whilst the authority has in principal approved the abolition of the surplus scheme at a time when job harmonisation can take place and Leisure facility staff can be offered terms and conditions along the same lines as those enjoyed by other Council employees, capacity issues and the restructure have meant this has not yet been possible.

3 RECOMMENDATION AND CONCLUSION

- 3.1 The surplus share scheme has proved to be successful ever since it's introduction. It is an innovative way to achieve staff involvement in efficiency savings and retain high attendance. Members are recommended to paying the surplus share and confirm the payment to staff as soon as possible.

List of Appendices

List of Background Documents: None

List of Consultees:

Corporate team, Service Accountant, Swimming Pool and Bowls Centre Manager, Personnel Manager, Sports Centre and Civic Halls' Manager