

## **LEISURE TRANSFER RECONCILIATION: LEISURE FUNDS**

**EXECUTIVE MEMBER:** Cllr Allan Holliday  
**LEAD OFFICER:** Keith Parker; Sue Borwick  
**REPORT AUTHOR:** Keith Parker

**Summary:** This report provides information in respect of the final reconciliation of the former Leisure Services budgets post transfer to North Country Leisure and identifies a method of funding the reconciliation.

<b>Recommendation:</b>	That the Cleator Moor Bowls and Fitness Scheme sinking funds no longer required be utilised to fund the reconciliation amount of £58,941 with the remaining £12,938 being returned to contingencies.
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**Impact on delivering the Corporate Plan:** This report has no direct impacts on the Corporate Plan

**Impact on other statutory objectives (e.g. crime & disorder, LA21):** There are no direct impacts on any other statutory objectives although the Council is contractually bound to recompense North Country Leisure for the reconciliation sums.

**Financial and human resource implications:** There are no human resource implications. The combined funds identified currently equal a sum of £71,879.81 after the reconciliation amount of £58,941 is deducted £12,938 remains. It is recommended that this is returned to contingencies resulting in a balance on contingencies of £103,755

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**Project & Risk Management:** None

### **Key Decision Status**

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

### **Other Ward Implications:**

## **1. INTRODUCTION**

1.1 As part of the transfer of the Council's Leisure facilities to North Country Leisure (NCL) steps were put in place to enable a reconciliation of accounts to take place after 3 months. Learning from the experience of the Housing Stock Transfer it was known unanticipated invoices would come in to the Council post the transfer date. In addition NCL were liable to pay the Council for the value of consumable stocks transferring on 1

April, just as the Council is liable to pay to NCL income received for bookings taken in advance insofar as the income applied to this financial year. Finally overtime costs incurred by the Council in March and paid by NCL in April are a liability on the Council.

- 1.2 The net effect of the final reconciliation, concluded after the three months period is that the Council 'owes' NCL £32,372. In addition a further £26,569 of creditor invoices relating to the 05/06 financial year have been settled and these stand on the Council's accounts. Details of the reconciliation are appended to this report.
- 1.3 The former Leisure Service has two funds established one the Fitness Scheme sinking fund was established as a replacement fund for the fitness equipment in the Sports Centre. The arrangement with NCL is such that they now carry the liability for replacing and updating this equipment and thus the fund is no longer required for the Council's purposes. The fund currently stands at a value of £22,500. A second fund for Cleator Moor Bowls Centre was established to fund major building fabric failures. Again NCL have taken liability for full maintenance of the bowls centre and thus this fund is also no longer required. The Cleator Moor fund stands at £49,379.81 making a total of £71,879.81 available against the liabilities of £58,941. It is therefore recommended that the liabilities arising from the reconciliation are met by the closure of the two funds with the balance being returned to Council contingencies.

**List of Appendices:** Reconciliation Summary

**List of Background Documents:** None

**List of Consultees:** Cllr Allan Holliday; Corporate Team