



Belfast City Council

Report to:	Strategic Policy and Resources Committee – special meeting
Subject:	Leisure Estate Review (Deloitte) report and next steps
Date:	1 March 2013
Reporting Officers:	Peter McNaney, Chief Executive Andrew Hassard, Director of Parks and Leisure Ronan Cregan, Director of Finance and Resources
Contact officer:	Caroline Wilson, Programme Manager

1.0	Relevant background information
	<p>Under the Investment Programme Implementation Plan, agreed by Strategic Policy and Resources Committee in June 2012, it was agreed that a project would be initiated to enable the re-development of the leisure estate and that research would be undertaken to develop options.</p> <p>Deloitte MCS Limited was appointed to undertake this piece of work to provide an evidence base on Belfast's leisure estate needs. The report has now been completed and the key findings will be presented at the meeting by Deloitte MCS Limited. A copy of the Executive Summary and the full report will be available for Members at Committee.</p>

2.	Key issues
2.1	<p>It is recognised that Members require time to digest the issues raised by the report and its organisational implications. For the purposes of discussion, the report highlights four primary drivers for change:</p> <ul style="list-style-type: none">– Financial: the subsidy for leisure services and average annual cost to the ratepayer is currently £8.01 million. The estate is aging, costly to maintain and energy-inefficient. The physical improvement of the leisure estate is dependent on the Council's agreed medium term financial strategy, the success of service improvements (e.g. increased throughput) and the future business model.– Health outcomes: the worst nine wards in Northern Ireland in terms of health deprivation are in Belfast. There needs to be a sharpened focus on improving health outcomes – getting more people, more active, more often – and the re-development of the physical leisure estate will only partially achieve the Council's

	<p>ambitions in this regard.</p> <ul style="list-style-type: none"> - Strategic opportunities: there are a number of imminent strategic opportunities for the Council to maximise its investment in the future provision of a fit-for-purpose leisure estate, including the stadia developments, Girdwood, health estate review, Social Investment Fund and greater collaborative working on asset sharing and service delivery. - Review of Public Administration: from 2015, Belfast will incorporate large areas of Castlereagh and Lisburn district councils. Plans need to be made now to ensure adequate leisure and recreational facilities are available, particularly with the likelihood that the rate burden in these areas will be increased to be brought into line with the rest of the city.
<p>2.2</p>	<p>Emerging strands of work</p> <p>The key challenge now for the Council is to develop a programme of work which will deliver the next generation of health and well-being provision in the city. The scale and scope of the solution is likely to require 3 major strands of work:</p> <ol style="list-style-type: none"> 1. To deliver the physical transformation of the leisure estate 2. To enable service transformation to address health inequalities and deliver better health outcomes 3. To create a value for money service and the realisation of cash savings to support the part-financing of the physical transformation programme <p>Both the development and the implementation of these 3 strands will require a dedicated team and potentially the support of external expertise, particularly alongside major programmes of work in relation to the commitments in the Investment Programme as well as the Reform of Local Government.</p> <p>It is proposed that a detailed report on the resource requirements will be prepared for presentation to Committee in April 2013.</p>
<p>2.3</p>	<p>Engagement</p> <p>It is proposed that a detailed Transformation Programme would be presented to Committee in September. To achieve this target deadline, it is proposed that the Council now starts a sustained engagement process which will include:</p> <ol style="list-style-type: none"> 1. Political: Committee, party groups, Area Working Groups and Member working group 2. Staff: staff improvement panels, trade union fora and advisors (e.g. finance; HR) 3. Stakeholders: strategic partners for capital and revenue programmes. <p>Given the constraints of Members availability and, at the same time, the scale of the work ahead, it is suggested that a small group of Members convene in order to facilitate in-depth dialogue on the critical issues. It is envisaged that this engagement will require a series of study visits to examine good practice elsewhere. It is suggested these should be</p>

	undertaken at the earliest opportunity in April and May.
2.8	<p>Finance and Resourcing Strategy</p> <p>Depending on political agreement, there are substantial capital costs over a period of 5 - 10 years which will have to form part of the Council's medium term financial plan.</p> <p>In order to inform this, it is proposed that an initial high level affordability paper is presented to Committee in April. This will outline the potential options for finance which will include the likely borrowing requirements, the establishment of a Leisure Capital Fund, the realisation of cash savings of up to £2million from the leisure budget and the potential impact on other capital funding streams.</p>
2.9	<p>Legal advice and equality considerations</p> <p>In order to ensure that the transformation programme is designed to enable the Council to not only meet its strategic objectives, it is also imperative that its legal and equality obligations are fulfilled. As part of this preparation period, updated legal and equality advice will be sought to inform Members' decision-making.</p> <p>The Council's Equality consultative forum is also meeting during this period, and officers will present the Deloitte report for their feedback and comment. This will inform the development of an equality strategy for the transformation programme, which will identify the key stages at which the Council will screen the programme for equality and good relations impacts.</p>

3.0	<p>Decisions required</p> <p>Strategic Policy and Resources Committee is asked to grant authority for officers to:</p> <ol style="list-style-type: none"> 3.1 Initiate a sustained engagement process, and to seek nominees from political parties to establish a Members' working group 3.2 Prepare further reports on a resourcing strategy (April 13), a high level affordability paper (April 13) and an agreed Transformation Programme (September 13), following in-depth Member, staff, trade union and external stakeholder consultation 3.3 Organise a study visit for Members in April, accompanied by the Chief Executive, the Directors of Parks and Leisure and Finance and Resources, and/or their nominees. Allowance for travel, meals and accommodation, based on standard Council subsistence rates, has been made in current revenue budgets to cover this expenditure 3.4 Facilitate in-depth engagement with strategic stakeholders to explore co-investment opportunities under the leisure transformation programme 3.5 Obtain updated legal and equality advice for the purposes of the transformation programme.
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