



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Leisure Transformation Programme – Members’ workshop
Date:	22 November 2013
Reporting Officers:	Andrew Hassard, Director of Parks and Leisure Ronan Cregan, Director of Finance and Resources
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1.0	Relevant background information
1.1	<p>Under the Investment Programme Implementation Plan, agreed by Strategic Policy and Resources Committee in June 2012, SP&R agreed the urgent need for fundamental change in its leisure services, with a focus on delivering better health outcomes and improved value for money. In a report presented to Committee in March 2013, three potential business delivery models were outlined:</p> <ul style="list-style-type: none">• Transformed in-house direct service operator• Non-profit distributing organisation (NPDO)• Private sector partnership. <p>The in-house ‘status quo’ option was ruled out as a result of the agreement to seek £2m efficiency savings from the leisure service budgets, to be delivered by 1 April 2016. This was agreed by SP&R in June, when Committee set a £105m capital expenditure affordability limit for the Leisure Transformation Programme.</p>
1.2	<p>In August, Committee agreed to consider the outline business case for the business operating model by the end of 2013.</p>

2.	Key issues
2.1	<p>Work is now underway to develop the 3 business model options, with the intention that this is brought to Committee in December 2013 in order that it can specify a preferred business operating model. The options report will provide information on the costs, benefits and sustainability of the three delivery models.</p>
2.2	<p>In order to inform Committee’s decision on the preferred business model, a number of strategic criteria have been prepared so that Members can examine the 3 models, and assess which business delivery model offers the most potential for delivering the political</p>

	ambitions for the Leisure Transformation Programme. These are attached in Appendix 1.
2.3	<p>The strategic criteria will be used as a framework for discussions at a workshop to be held on 6 December 2013. At the workshop, external consultants will outline the detail of the 3 options under consideration and support Members to select their preferred option. The objectives of the workshop are:</p> <ul style="list-style-type: none"> • To examine future business model options for delivering leisure services in Belfast; • To identify a preferred business model for presentation to the Strategic Policy and Resources Committee for its decision; • To understand the legal implications of the decision and a route-map for implementation. <p>This will inform the formal recommendation to Strategic Policy and Resources Committee on 13 December. All Members of the Strategic Policy and Resources Committee and the Parks and Leisure Committee will be invited to the workshop.</p>
2.4	<p>Trade union engagement</p> <p>Regular engagement with both local and regional representatives is ongoing. This included a recent visit to Greenwich Leisure Limited in November 2013 for a delegation of both leisure trade union representatives and full-time officials.</p> <p>A key area of discussion is protection for staff in such sensitive areas as pensions. Further meetings and other appropriate communication channels with all staff and Trade Unions will continue and issues for consideration brought to Committee, as required.</p>

3.0	Decisions required
	Committee is asked to agree to the workshop on 6 December 2013 (11.30-14.30) and note the strategic criteria, as outlined in Appendix 1.

4.0	Resource Implications
	This is a major physical and service transformation process and the implications for resources (staff, assets and financial) will be fully scoped and assessed as part of the business planning process, with continuous engagement with staff and trade union reps as appropriate.

5.0	Equality Implications
	Provision has been made within resources to screen the Leisure Transformation Programme at relevant intervals in line with the Council's equality obligations.

6.0	Appendices
	1. Proposed strategic criteria framework

Appendix 1

	Criterion	Rationale	Which option offers the most potential for:
A.	The scope to maximise savings within a given service level	The potential of the option to grow the business and make savings. The Council requires £2m savings by March 2016 to deliver an enhanced asset base in outer West and Outer East under LGR.	<ul style="list-style-type: none"> - smarter management leading to efficiencies in relation to overtime / enhanced pay - enhanced income (both users and secondary spend) contributing to cash savings - tax efficiencies (e.g. VAT)
B.	Ability to improve the customer experience	The likelihood of an option improving the quality of the customer experience of the Council's leisure service including using the leisure centres and the technological interface (e.g. booking classes online).	<ul style="list-style-type: none"> - more customer focused leadership - more performance focused culture among staff - more customer friendly technology interface - systems that support smarter service delivery
C.	Ability to increase participation especially in areas of need, in order to improve health	The likelihood of an option to improve the health of local communities (especially those in areas of social need) through for example increased user numbers.	<ul style="list-style-type: none"> - increasing user numbers - smarter programming, pricing and outreach to attract target groups - incentives for staff for increasing user numbers - flexibility and ability to partner and take strategic opportunities
D.	Ability to develop staff and achieve employability outcomes	The likelihood of an option in facilitating staff development. It recognises the success of the leisure service is closely linked to capabilities of the staff team being realised.	<ul style="list-style-type: none"> - culture of training, development and career progression - refreshed leadership to motivate staff - incorporation of social clauses and apprenticeships - incentives linked to performance of the business
E.	Overarching deliverability	This criterion will consider whether there is evidence that a delivery option can realistically fulfil the objectives the Council wants, which in practice can be evidenced as actually delivering significant savings, cultural change and improved participation and customer satisfaction.	