

### Appendix 3

<b>Chronology of Committee decisions</b>	
	<p>Under the Investment Programme Implementation Plan, agreed by Strategic Policy and Resources Committee in <b>June 2012</b>, SP&amp;R agreed the urgent need to review its leisure estate. Consequent to this, Deloitte was appointed to undertake a piece of work to provide an evidence base on Belfast’s leisure estate needs, specifically the current status of the leisure estate and outline options drawing on best practice.</p>
	<p>In <b>January 2013</b>, the Committee adopted the following principles, in order to inform future decisions regarding leisure provision:</p> <ul style="list-style-type: none"> <li>– <b>Quality:</b> Council leisure facilities should be fit for purpose, attractive and welcoming;</li> <li>– <b>Focus on health and well-being outcomes:</b> Working with others to improve the health of the population, especially those most in need, is an essential priority;</li> <li>– <b>Value for money:</b> Future Council investment in its leisure estate should focus on provision of a value for money leisure service demonstrated through user numbers, health and well-being outcomes and financial metrics;</li> <li>– <b>Balanced investment and accessibility:</b> There should be sufficient provision within each quarter of the city of wet, dry, health and fitness facilities. The facilities should be well-connected, welcoming and safe, and promote connectivity, cohesion, ‘shared-ness’ and access for all;</li> <li>– <b>Partnership:</b> Partnering opportunities and strategic opportunities should be actively explored, pursued and integrated into the transformation plan;</li> <li>– <b>Affordability:</b> A capital financing strategy will be required to support the building of a new leisure estate. Financing will need to include revenue savings generated from within the leisure budget. A key element of the transformation of leisure provision will be to ensure its sustainability.</li> </ul> <p>Finally, Committee agreed an indicative phasing for the physical transformation plan:</p>
<b>Phase</b>	<b>Transformation of Leisure Estate</b>
<b>1.</b>	<p>Strategic asset opportunities under <b>Investment Programme:</b></p> <ul style="list-style-type: none"> <li>– Windsor and Casement Stadia; Girdwood; Whiterock Community Corridor; Templemore Baths</li> </ul> <p>Potential partners: DCAL; IFA; GAA; DSD; Health Trust; SEUPB</p>

2.	Strategic asset opportunities under <b>reform of local government</b> including: – Avoniel; Robinson Centre; Andersonstown; Lagmore/Poleglass and Brook Activity/Colin Potential partners: Castlereagh BC; BMC; SIB; Lisburn City Council
3.	Strategic asset opportunities towards a ' <b>One Public Estate</b> <sup>1</sup> ' approach including: – Ballysillan; Ozone; Shankill; BCC community centres Potential partners: Community sector; QUB; DE

It was also agreed that officers would undertaken in-depth engagement with strategic stakeholders to explore co-investment opportunities.

At a Special Meeting on **1 March 2013**, SP&R Committee received a presentation from Deloitte on the final report. Committee noted the following drivers for change:

- **Financial:** the subsidy for leisure services and average annual cost to the ratepayer is currently £8.01 million;
- **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;
- **Strategic opportunities:** there are a number of strategic opportunities to maximise the investment in the provision of a fit-for-purpose leisure estate, including the stadia developments;
- **Reform of local government:** from 2015, Belfast will incorporate large areas of Castlereagh and Lisburn district councils.

The report also outlined three potential business delivery models for leisure provision:

- Transformed in-house direct service operator
- Non-profit distributing organisation (NPDO)
- Private sector partnership.

The Deloitte report recommended that the delivery vehicle that provides the strongest overall fit with the agreed key principles is Non Profit Distributing Organisation (NPDO). In the event the Council is unable to progress the NPDO vehicle, it should secure appropriate expert support to would work closely with its in house operation.

Following the presentation, Committee agreed to authorise officers to develop a resourcing plan, financing strategy and transformation plan.

In **June 2013**, Committee considered a capital financing strategy. At this meeting, it was

<sup>1</sup> The 'One Public Estate' (OPE) approach is based on local public service providers collaborating on managing their land and buildings as a collective resource across an area, to improve outcomes for local people and maximise efficiencies.

	<p>agreed that the total estimated cost of the leisure transformation programme is £105m, based on industry baselines and benchmark data. In order to fund this, Committee agreed the following:</p> <ul style="list-style-type: none"> <li>- To allocate, from 1 April 2014, £3.23m of the <b>£6m Belfast Investment Fund</b>;</li> <li>- To set a <b>£2m efficiency savings target</b> for leisure services, deliverable by 1 April 16;</li> <li>- To set a target of <b>£2m of additional rates</b> income emanating from local government reform boundary changes; and</li> <li>- To include the <b>£1.7m</b> in the Council's <b>Medium Term Financial Plan</b>.</li> </ul>
	<p>At its meeting in <b>August 2013</b>, SP&amp;R Committee agreed a transformation programme to include 4 stages:</p> <ol style="list-style-type: none"> <li><b>1. Information gathering</b> – study visits to good practice sites and research on all 3 Deloitte recommended options (as described above) including social enterprise models and in-house transformation processes.</li> <li><b>2. Developing the business case</b> – a detailed analysis of the pros and cons, benefits and costs of each option will be presented to Committee in late 2013</li> <li><b>3. Developing the transformation plan</b> – consequent to Committee's decision in late 2013, an intensive period to develop a business plan will follow. This will include: business strategy; governance; finances; performance targets; and scope the capital programme across each area of the city, based on agreed affordability limit.</li> <li><b>4. Implementation</b> – from mid-2014, a concentrated focus on implementing the transformation, including staff learning and development, as well as reform of working practices and performance management frameworks.</li> </ol> <p>In order to support this programme of work, Committee agreed £1.15m resourcing plan.</p>
	<p>In <b>October 2013</b>, SP&amp;R Committee received an update on progress and agreed an outline for the decision-making process i.e. to make an 'in principle' decision on the preferred business model, with the final decision to ratify the 'in principle' decision to taken by the new Council at its SP&amp;R Committee meeting in June 2014. This would be on the basis of the due diligence reports and satisfactory fulfilment of the Council's strategic objectives for leisure transformation.</p> <p>Committee also noted engagement with trade unions and, following a request from trade unions, authority to undertake an 'expression of interest' exercise for voluntary redundancy.</p> <p>The trade unions also requested information on the running costs for leisure services as it is their intention to develop an alternative transformation plan, based on the in-house business operating model. Committee agreed to this on the basis that any alternative business plan is received from the trade unions by February 2014.</p>
	<p>Most recently, in <b>November 2013</b>, Committee agreed a number of strategic criteria so that Members could compare and contrast the 3 business models, and assess which business</p>

delivery model offers the most potential for delivering the political ambitions for the Leisure Transformation Programme. These criteria are:

- The scope to maximise savings within a given service level
- Ability to improve the customer experience
- Ability to increase participation especially in areas of need, in order to improve health
- Ability to develop staff and achieve employability outcomes
- Overarching deliverability

Committee agreed to hold 2 workshops for all Members of Council to consider the business model options.