



Belfast City Council

Report to:	Parks and Leisure Committee
Subject:	Leisure Transformation Programme – update report
Date:	12 September 2013
Reporting Officer:	Andrew Hassard, Director of Parks & Leisure
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1.	Relevant Background Information
1.1	Under the Investment Programme Implementation Plan, agreed by Strategic Policy and Resources Committee in June 2012, Deloitte MCS Limited was appointed to undertake a project to enable the re-development of the leisure estate. In March, Deloitte presented their recommendations to Committee which included 3 ‘business model’ options going forward: <ol style="list-style-type: none"> 1. Non-profit distributing organisation e.g. social enterprise as a new organisation 2. Transformed in-house council-run services, supported by external expertise 3. Private sector partnership
1.2	In this context, SP&R agreed the urgent need for fundamental change, with a focus on delivering better health outcomes and improved value for money. Committee also agreed the indicative phasing of capital transformation: <ul style="list-style-type: none"> – Phase 1: Investment Programme (Windsor/Olympia; Andersonstown; Girdwood) – Phase 2: Reform of Local Government (e.g. Avoniel; Castlereagh; Lagmore/Poleglass/Colin) – Phase 3: One Public Estate (e.g. Ballysillan; Ozone; Shankill; Loughside; Whiterock).
1.3	At its meeting in June, SP&R set a £105m capital expenditure affordability limit for the leisure transformation programme. The committee also agreed a capital financing strategy which includes allocating £3.23m of the £6m Belfast Investment Fund annual rates contribution to finance the £38m Olympia and Andersonstown schemes and £2m efficiency savings from the leisure service budgets, deliverable by 1 April 2016.

2.	Key Issues
2.1	The transformation programme consists of a number of key work-streams: <ul style="list-style-type: none"> – Better Services: delivery of increased health outcomes through improved

	<p>programming, marketing, etc.</p> <ul style="list-style-type: none"> – Better Business: transformed business operating model to deliver improved value for money and a sustainable service – Better Assets: capital programme of modern, fit-for-purpose facilities across the city.
2.2	<p>Over the coming months there are 4 stages:</p> <ol style="list-style-type: none"> 1. Information gathering – ongoing This information-gathering phase will include study visits to good practice sites and research on all 3 Deloitte recommended options (as described above). 2. Developing the business case – up to November 2013 A detailed analysis of the pros and cons, benefits and costs of each option will be presented to SP&R Committee in late 2013. This will outline the potential to deliver against the efficiencies target as set by SP&R and enable them to make a decision on the preferred business model option. 3. Developing the transformation plan – up to March 2014 Consequent to SP&R Committee’s decision in late 2013, an intensive period to develop a transformation plan will follow. This will include business strategy; governance; finances; and performance targets. 4. Implementation – up to March 2015 The implementation phase will include a concentrated focus on the human resources aspect of the transformation, including staff learning and development, as well as reform of working practices.
2.3	<p>In order to deliver this, SP&R has allocated an amount from reserves to resource the implementation of the programme over the next 18 months. In order to give Members full information and assurance on the upcoming decisions, the resources required include:</p> <ul style="list-style-type: none"> – Expert advice on options available for business operating models and specialist leisure advice on marketing, programming and product development – Additional project sponsors to develop Phase 2 and 3 capital projects – Human resources advice and support on working arrangements, trade union consultation and negotiations, job evaluations, learning and development – Communications and engagement in relation to capital programme delivery and staff engagement – Legal advice on business model options, resource implications, contracts and procurement – Independent cost control analysis to provide assurance to Members on affordability and deliverability.
2.4	<p>As part of the information gathering phase, a number of study visits have now been completed including to: Greenwich Leisure Limited; Glasgow Life; Greenvale</p>

	Leisure Centre Magherafelt; and Bangor Aurora Aquatic and Leisure Complex. Further visits are planned, including a visit to include trade union representatives and staff. Feedback from these visits will be incorporated into business case appraisal to go to SP&R Committee in November 2013.
2.5	As part of the 'Better Assets' work-stream, design and scoping work is ongoing in relation to the facilities at Windsor and Andersonstown. Detailed designs on the Olympia/Windsor facility have been presented to the South Belfast Area Working Group and will be shared at a public consultation meeting on Monday 23 September. Officers are working closely with the Irish Football Association, Linfield Football Club and the Department for Culture, Arts and Leisure to ensure that all partners maximise the investment opportunity and that SP&R Committee will be in a position to make a final decision to invest in October 2013. At the same time, preliminary scoping has been initiated for Phase II projects in outer East Belfast and outer West Belfast. In early 2014, further engagement will take place with the Area Working Groups in relation to phases 2 and 3 of the capital programme and overall local area hierarchy.

3.	Resource Implications
	None in relation to this update report

4.	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.

5.	Recommendations
	To note progress in this update report

6.	Decision Tracking
	An update report will be brought to Committee in November 2013.

7.	Key to Abbreviations
	None

8.	Documents Attached
	None