

## A new Leisure Trust for Belfast – some key messages

18 April 2014

### 1. What is the Council's political ambition for the leisure trust?

- We want a **5\* service for 3\* prices** – an affordable and innovative 'best in class' customer and community-focussed service for the city
- We want to safeguard the longer term sustainability of the service – providing much better chance of **job security for employees**, as well as career progression and creating new jobs.
- Social values are just as important as financial performance – **tackling health inequalities** will be a core focus for the new trust.

### 2. Why does this need to be done now?

- **£8m subsidy** to the rate-payer every year – a subsidy of this magnitude can no longer be borne by the rate-payer.
- Savings have to be secured to help **finance the major investment programme**

### 3. Will the Council lose control?

- No. Councillors will remain '**democratic guardians**' of the services provided – setting the direction and determining the level of funding provided for the Trust
- The Trust will be accountable to the Council through regular performance reports and an annual review
- This will be a partnership within which to **target services to local needs** – rather than one-size fits all
- The Trust will need to consult with the Council to produce an agreed Business Plan, and the Council will agree the funding amount when it is satisfied that the plan meets the Council's objectives.

### 4. Is this privatisation by the back door?

- No. The Belfast leisure trust will be a charitable organisation – our services and funding must work for the public benefit – **no surplus will ever go to private shareholders but will be re-invested back into communities.**
- The new trust has to be a 'good employer' – now and into the future.
- Various references are made to the leisure 'business' but this does not mean abandoning the public service ethos. It just means that the service will be run using some of the best practice from the business sector – such as performance measurement and reporting.

### 5. What are the benefits of a Belfast leisure trust?

- **It is a single focus organisation** – giving a guaranteed step change
- **Savings can be assured, via contractual mechanisms**
- Financial benefits – particularly VAT and access to grants that Council can't access

### 6. What about our staff?

- Gives much more security for future of the business – **growth is our ambition**

- New trust will give opportunities to **grow the business** and this means a better chance of job security and career progression for staff and the possibility of more jobs and apprentices
- The existing terms and conditions of current employees can be protected through legislation (TUPE)
- The Trust are totally committed to working with TUs on the issues that are important to them - like pensions, job security and the avoidance of compulsory redundancy.

### 7. What does 'protected by TUPE' mean?

- 'TUPE' stands for the Transfer of Undertakings (Protection of Employment) Regulations 2006. The Regulations protect employees' terms and conditions of employment when a business is transferred to a new employer.
- When a transfer takes place, staff will automatically become an employee of the new organisation. Their continuity of employment is preserved, as are their terms and conditions of employment. Wages, holidays and shift allowance are part of existing terms and conditions.
- In relation to the question of how long terms and conditions should remain the same, there is no length of time specified in the legislation.

### 8. Will the Council still own the leisure centres?

- **Yes.** The Council will always remain the owner of its capital assets, which will be leased to the Trust.

### 9. Shouldn't we agree leisure locations – possibly have fewer, to save money – before we change the business model?

- Historic legacy of division in the city means that we have more centres than we should need. Elected Members have a vision for reducing this; but **shared facilities will take time.**
- The **business model decision is the catalyst for change.** Without modernising the service, there is no impetus to modernise our asset base.
- Delaying a decision to approve further work on the Trust option will result in a missed opportunity to deliver assured savings and service improvement

### 10. What are the health problems you want to tackle?

- In some parts of Belfast, the average life expectancy is nearly 10 years less than NI average
- Working with partners, we want to **tackle health inequalities** in the city e.g. through GP referral programme
- Healthy physical activities can be promoted outside of the leisure centres – with the centres becoming 'health hubs' for local communities. A place to become more active in other ways – involving walking groups for example in local parks
- People who may feel isolated in the own homes can use the leisure centres in different ways – including a place to meet people socially, volunteer and join new groups

### 11. Don't we have the internal capacity for change?

- We have to ask ourselves –“If change had been possible, **why didn't we do it before?**” The small changes made to date have been marginal and slow and very difficult to achieve.
- Internally driven change may be possible with a lot of goodwill, but it would require **intensive resource** at a time when Members and staff are in the midst of trying to deliver Local Government Reform, deliver its Investment programme and meet its ambitious efficiency targets.

## 12. Why leisure?

- The **leisure industry has changed dramatically over the past 10 years** – customers demand better services and facilities, they have choices, and running a leisure service is now far more complex and competitive. The reality is that we run a service which has not changed with the times. Customer expectations are more sophisticated.

## 13. What will a Belfast leisure trust look like?

- The mission will be to pursue a **wider public good** i.e. working with others to improve the health of the population, especially those most in need
- Governance structures will incorporate **representation from elected Members, staff and trade unions**, as well as strategic partners and industry experts
- It will have the ability to deliver social clauses e.g. apprenticeships for wider benefits

## 14. Where else does this?

- There are now over **120 leisure trusts** throughout UK.
- The majority of council owned leisure centres across the UK are no longer operated by in-house teams
- **30% of UK public leisure centres are run through trusts** – and this is a growing trend – with Trusts operating over 1600 facilities, with a combined turnover of more than £1billion and employing around 50,000 staff.

## 15. What next?

- Intensive period of business planning
- Training and development for our staff
- Getting all the **proper assurances** on the legal and financial implications as well as meeting our Best Value and Equality obligations
- Councillors agreeing the new business plan and partnership agreement with the Trust