



Belfast City Council

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| Report to: | Strategic Policy and Resources Committee |
| Subject: | Leisure Transformation Programme Issues Paper 4: Financial, legal and equality assurances |
| Date: | 25 April 2014 |

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| 1.0 | Relevant background information |
| 1.1 | Since January, preliminary work has been undertaken at risk to establish the Trust, more accurately defines as a non-profit distributing organisation (NPDO). The NPDO structures are being developed with legal, asset and business/financial advisors. Work is also underway to develop the partnership agreement and business plan. |

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| 2. | Key issues |
| 2.1 | Principles of approach to business planning and setting funding agreement Work has started on the agreements and contracts that will be required between the Council and the Trust, and then between the Trust and the strategic operating partner. Again, the Council is receiving advice from Trowers and Hamlins in this regard, and we have begun to outline the matters which will have to be covered in the contract. The contracts in this matter shall be extremely important, as these shall be the primary means of influence and control by the Council of the Trust and its activities, through a contractual relationship. The Trust will also secure its own independent advice on the Contract to be entered into between it and the Council. This will provide a layer of protection to each party, as the Contract will be independently reviewed. |
| 2.2 | Asset and utilities management A number of workstreams have been established, including representatives from Legal services, to deal with the practical issues faced. Due diligence has begun on the legal title to the various assets that shall be leased to the Trust, to ensure that there are no title difficulties in relation to these assets. Detailed surveys will also be carried out of all the assets to be transferred, to ensure that the Council and the Trust have an agreed position on the state of any assets that transfer, at the date of transfer. Similarly, we are reviewing all current contractual arrangements that the Council has that |

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| | <p>relate to Leisure, to ensure that we have a legally acceptable approach to dealing with these Contracts post Leisure Transformation.</p> |
| 2.3 | <p>VAT considerations</p> <p>The Council will ensure that it reaps maximum financial benefits from the transformation of leisure, and it has recognised that the issues of VAT shall be key to this. The Council is therefore ensuring that it takes all necessary professional advice it can to ensure that these areas are accurately dealt within the agreements and contracts with the Trust, particularly in relation to property maintenance.</p> |
| 2.4 | <p>Best Value considerations</p> <p>Under the Local Government (Best Value) Act (Northern Ireland) 2002, the Council is under an obligation to make arrangements for continuous improvements in the way in which its functions are exercised. The Act imposes an obligation on the Council when considering how to exercise this function, to consult persons appearing to the Council to be representative of:</p> <ul style="list-style-type: none"> a. Persons liable to pay rates in respect of hereditaments in the district of the Council; b. Persons who use or likely to use the services provided by the Council; c. Persons appearing to the Council to have an interest in the district of the Council. <p>There is an obligation to consult in relation to Leisure Transformation, and these consulting obligations will be met through the equality consultation process as well as specific engagement with end users using media such as the Council’s website and social media.</p> |
| 2.5 | <p>Equality considerations</p> <p>In considering the new operating model and future capital investments in leisure the Council must have due regard to its statutory obligations under Section 75 of the Northern Ireland Act. The Council will also wish to ensure any new management arrangements provide sufficient protections for those categories within the legislation as well as seeking to increase participation from under-represented groups. Finally, it is imperative that any policies or decisions consider any equality implications for staff. In order to support consideration of these issues the Council has engaged Policy Arc Limited to develop an Equality Framework for the programme and to support the process of due diligence in relation to equality.</p> <p>The Leisure Transformation Programme presents a major opportunity to increase participation in sport and leisure activities by under-represented groups. For this opportunity to be maximised it is essential that the facilities and activities provided are appropriate for these groups, are provided in the right locations and are appropriately marketed. The Council will need to consider how to set parameters for these elements in the specification for the management contract.</p> |

Moreover, in line with the Council's commitment to promoting good relations it be would be intended that the Leisure Transformation programme that by transforming leisure we would have a measurable positive impact on the lives of people.

Policy Arc has subsequently recommended the following processes:

- **Equality screening** – in line with Council policy the programme has been screened and an EQIA recommended.
- **High level Equality Impact Assessment** – a high level equality impact assessment has been undertaken by Policy Arc until such time as there is a final decision on the future operating model (see Appendix 'A Note on Promoting Equality').
- **Agreement of Equality Ambitions** – based on the findings of this EQIA members are asked to agree a statement of equality ambitions. This will outline Members' the equality ambitions that will in turn be applied in the due diligence process and built into any contractual agreements. This, alongside other agreed outcomes, will form the basis of performance reports for leisure evidencing whether targets have been achieved.
- **Consultation** – subject to political agreement it is suggested that a 12 week consultation period is commenced. During this time our equality statement will be made available through our website for consideration by the public. Consultation with specific interest groups is also recommended; specifically staff (via Trade Unions), the council's Youth Forum, older people and representative bodies of the Section 75 categories via the Council's Consultative Panel.
- **Review & Implementation** - submissions from the consultation period will collated and Members will be asked to finally agree any actions following the completion of this and due diligence.

The attached paper outlines some of the benefits of participation in sport and leisure activities and the groups that could potentially benefit to the greatest degree. It presents evidence on low participation by people from a number of Section 75 groups:

- women;
- older people (in all age bands from 50 years upwards);
- disabled people;
- black and minority ethnic (BME) groups;
- lesbian, gay and bisexual people;
- people with dependent children, particularly lone parents.

Feedback from the consultation will identify actions that can be included in the business plan and partnership agreements to meet the needs of these Section 75 groups.

3.0 Decisions covered in the overview report

- To approve the equality framework for integration into the business planning and agreements development process,
- To agree outlined consultation approach to include consideration of the Council's Best Value obligations

4.0 Abbreviations

EQIA – Equality Impact Assessment

LTP – Leisure Transformation Programme

NPDO – non-profit distributing organisation

TUPE – Transfer of Undertakings (Protection of Employment) Regulations 2006

TUs – Trade Unions

5.0 Appendices

- Leisure Transformation Programme: Promoting Equality of Opportunity & Good Relations (Policy Arc Limited)