

	<p>Policy & Resources Committee</p> <p>21 July 2014</p>
<p style="text-align: right;">Title</p>	<p>Sport and Physical Activity Review Outline Business Case</p>
<p style="text-align: right;">Report of</p>	<p>Kate Kennally, Strategic Director for Communities</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public (with separate exempt report)</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix 1: Sport and Physical Activity Review Outline Business Case Appendix 2: Updated GLL price schedule for leisure centres Appendices A to J (Appendix D is exempt)</p>
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<p>Summary</p>
<p>Policy & Resources Committee is asked to approve the Outline Business Case for Sport and Physical Activity which sets out how the council intends to increase levels of sport and physical activity in the borough and the future direction for the council-owned leisure centres. The report seeks approval from Policy & Resources Committee to commence a re-procurement of the council’s leisure management contract.</p> <p>The business case recommends that the formal procurement exercise commences in April 2015 following a gateway review of the procurement methodology to deliver:</p> <ul style="list-style-type: none"> • Improved facilities which suit the needs of the localities they serve at zero-subsidy from the council from 2018. • Leisure facilities delivered through a contract focused on public health outcomes which supports an increase in participation levels and therefore delivers improved health benefits (e.g. reduce social isolation, reduce risk of illness, obesity etc.) to Barnet’s residents.

Recommendations

<p>1. That Policy & Resources Committee approves the business case in Appendix 1 and the initiation of a procurement exercise to the timetable set out in section 5.4 of the Outline Business Case.</p>
<p>2. That Policy & Resources Committee approves the start of discussions to set up a Trust to manage the Copthall site as a whole entity with a view to develop a trust agreement between the council and partners, including current and future leaseholders and users.</p>
<p>3. That Policy & Resources Committee approves a maximum budget of £427,000 for the delivery of the first phase of the recommended option from the Outline Business Case.</p>
<p>4. That Policy & Resources Committee approves the SPA Strategy Statement and draft Delivery Plan as set out in Appendices A and B of the Outline Business Case, which will be overseen by the Health and Wellbeing Board.</p>
<p>5. That Policy & Resources Committee note the revised position for the savings to be achieved from the recommendations originally put forward in a report to Cabinet Resources Committee on 4 November 2013 in regards to the transfer of utilities and changes to opening hours at Hendon and Burnt Oak leisure centres and that the shortfall for 2014/15 will be funded through council's reserves.</p>
<p>6. That Policy & Resources Committee note that the MTFs in December 2014 will set out how the funding gap for the period 2015/16 to December 2017 for leisure services will be addressed.</p>
<p>7. That Policy & Resources Committee gives permission to the project to look at restructuring the roles linked to sports development to consolidate these into one team for consideration by General Functions Committee.</p>
<p>8. That Policy & Resources Committee notes the updated Greenwich Leisure Limited (GLL) price schedule for leisure centres in Appendix 2 taking effect from 1st September 2014.</p>

1. WHY THIS REPORT IS NEEDED

1.1 Background to the project

1.1.1 The Sport and Physical Activity (SPA) review was initiated to review the council's provision of sport and physical activity facilities and how they support wider public health outcomes. The review originally set out to:

- Increase participation in sport and physical activity
- Reduce the cost of the leisure management contract from 2014/15 as part of the council's Medium Term Financial Strategy (MTFS)

1.1.2 A Strategic Outline Case setting out the need for change and potential options for further exploration was approved at Cabinet Resources Committee (CRC) in October 2012. A subsequent Outline Business Case setting out options to achieve the review's objectives in 2014/15 was approved at CRC in November 2013.

1.1.3 This report introduces an updated Outline Business Case which sets out a long-term solution to achieve the SPA review's objectives.

1.2 **Strategic Context**

- 1.2.1 The council has a duty to promote wellbeing since the transfer of public health functions into the council in 2013.
- 1.2.2 A needs assessment conducted in 2012 and a consultation with residents in the autumn 2013 have outlined that the current leisure centre provision is not fit for purpose. Residents have also told us that they like to exercise outdoors. The review is therefore an opportunity for the council to look at how to deliver services differently and address customers' needs through a more integrated approach to sport and physical activity while focusing on health and wellbeing outcomes in a manner that is sustainable.
- 1.2.3 National evidence indicates that the health of Barnet's population is likely to be enhanced by increased physical activity with the greatest gains coming from enabling the sedentary to undertake a degree of physical activity. Increasing physical activity can create less dependency on health and social care by having a preventative effect on the development of conditions such as diabetes, coronary heart disease, some cancers and obesity. Being more active can assist in re-enabling people with long-term conditions to manage their own health and wellbeing, therefore delaying the progression into more dependency. Becoming more active can also contribute to tackling some of the issues that arise from social isolation.
- 1.2.4 As such, leisure centre facilities should be regarded as a central supporting component to the creation of the model for Barnet which supports residents to become more active through building activity into lifestyles and everyday activities.
- 1.2.5 In line with councils across the country, this must be achieved within the context of continued significant financial pressures. In November 2011, the council set a savings target of £967,000 per annum against expenditure on the leisure contract as part of its MTFS from 2014/15 to reflect its ambition of moving to a zero-subsidy provision in the longer term.
- 1.2.6 The approaching end to the contract with the current provider, Greenwich Leisure Limited (GLL) in December 2017 means that there is now a renewed urgency to define a sustainable solution to the provision of leisure facilities for Barnet that will increase and sustain the health and wellbeing of residents and continue to support the council's aim to increase participation in sport and physical activity.
- 1.2.7 In order to comprehensively plan for the future, the council is faced with a number of key challenges:
 - Increasing participation in sport and physical activity and the associated benefits for the wider health economy by providing a strategic direction and supporting infrastructure to change behaviours
 - Increasing residents' satisfaction with the council's provision

- Exploring opportunities to increase the use of parks and green spaces to deliver SPA outcomes
- Moving towards a zero-subsidy model

1.3 **Core issues under consideration in developing the outline business case**

1.3.1 *That the council's role in the provision of leisure centres is to enable facilities to be affordable for the council's target groups for physical activity (young, vulnerable, older people, people with long term illness etc.)*

1.3.1.1 In times of financial challenge, sport and physical activity and the provision of leisure centres could be perceived as not being a priority for the council. It is not a statutory duty and therefore the council could decide to stop providing this service. However, there is a strong expectation from the public that these services will be provided and although it is difficult to cost, it is widely agreed that the cessation of these services would incur a longer-term system-wide cost as well as resident dissatisfaction. The closure of leisure centres would also be against Barnet's Health and Wellbeing Strategy and SPA Strategy's objectives in regards to public health outcomes delivered through a more active population.

1.3.2 *Facilities are not suited to residents' needs and require re-development*

1.3.2.1 Only 38% of the borough's residents are satisfied with council-owned leisure centres in Barnet. Although this is an improvement compared to 2012/13, this makes council-owned leisure services one of the 5 services for which Barnet is performing worse than London as a whole (48% for London). In addition, 52% of those who actively use leisure centres are satisfied with services compared to 59% across London in the Barnet Residents Perception Survey 2013.

1.3.2.2 At least three of the current facilities (Church Farm, Finchley Lido and Copthall) are coming to the end of their life and need re-development.

1.3.3 *Need identified for a more integrated approach between SPA and parks and open spaces*

1.3.3.1 The residents' consultation indicated that 53% of residents do a majority of physical activity outdoors (compared to 29% only exercising indoors, the remaining 18% doing both equally) and that there is a lot of support for outdoor gym facilities and for more organised activities such as walks, aerobics and fitness classes in parks and open spaces.

1.3.3.2 Currently the council is managing its leisure centres and open spaces separately and there are missed opportunities for a better integration of these two elements to create destinations and encourage people to use the sport and physical activity infrastructure as part of other activities they undertake (e.g. going to the park and using outdoor gym or a nearby pool or gym, having health checks conducted within a leisure centre to reduce the barriers to participation – residents have told us that having been into the building, it is then less 'scary' to go onto using the facilities). The business case recommends this is resolved through a more integrated approach to sports development within the council so that the function encompasses the leisure

management contract as well as engagement with schools and local clubs on the physical activity offer, national sporting governing bodies and the approach to council takes to enhancing the physical activity offer within our open spaces.

1.4 **Work done to date to increase participation**

1.4.1 Partners across the borough are already key players for sport and physical activity and combining efforts would deliver improved outcomes, often more efficiently.

1.4.2 The council has set up an internal Fit and Active Barnet (FAB) reference group to ensure stakeholders within the council work better together to identify opportunities to increase participation. A FAB campaign was launched in February 2014 to support the delivery of key public health objectives in regards to sport and physical activity and encourage residents of Barnet to get fit and healthy in 2014.

1.4.3 The campaign and internal reference group will be sustained and further developed through the creation of a FAB Partnership Board with partner organisations. The FAB Partnership Board will own the SPA Strategy and accompanying Delivery Plan which sets actions to take forward each objective of the SPA Strategy, as agreed by the Health and Wellbeing Board on 12 June 2014. Going forward, it is important that the FAB Partnership Board takes ownership of the Delivery Plan; as such, a draft Delivery Plan has been drawn from the SPA strategy (see Appendix B of the Outline Business Case) for finalisation and agreement by the FAB Partnership Board.

1.5 **A vision for sport and physical activity in Barnet and for Copthall**

1.5.1 The council ran a workshop with internal stakeholders in February 2014 to define its vision for sport and physical activity based on consideration of the key issues set out in paragraph 1.3. The components of the future vision include:

- A **locality-based offer** ensuring people have access to local leisure centre facilities, integrated where possible with green spaces and that these closely link with their localities including clubs and schools around Hendon, Finchley, New Barnet and Burnt Oak
- A **central sports and physical activity 'hub'** which would also double as a centre of excellence for elite sports at Copthall
- A **better integration of sport and physical activity and green spaces** to create destinations and encourage residents to get onto sport pathways which will help Barnet attract funding from national sporting governing bodies for facilities enhancements
- A **more pro-active approach to using existing facilities** and create opportunities for sport and physical activity where appropriate in new developments (e.g. new schools, regeneration sites etc.)

1.5.2 The workshop identified the need for re-development of the Finchley, Church Farm and Copthall sites as these facilities require building works and a revised offer in order to be viable. In addition, the leisure centre at Hendon will form part of the Brent Cross /Cricklewood regeneration.

- 1.5.3 Copthall offers a significant opportunity to create a landmark sporting destination for the borough through an integrated sport and physical activity provision. The Outline Business Case sets out that the re-development of the Copthall leisure centre supports the strategic objective of delivering increased participation in sport by providing a borough-wide hub for elite sport at the end of the sport pathway spectrum started in localities through local sport centres and clubs/sports development activities. However, there is a range of planning issues that will need to be carefully managed through a detailed feasibility study undertaken by planning in order to inform the nature of any Trust for Copthall and the procurement specification
- 1.5.4 There is also an opportunity to build on the legacy from the Paralympic Games to develop both grassroots and elite disability sport provision on site, working with local sports clubs, Middlesex University, Saracens, sports governing bodies and other partners.
- 1.5.5 Finally, this is a chance for the council to ensure the wider site (walking and cycling paths, playing fields and wider green spaces) is better integrated with the other facilities and contributes to encouraging people to be active.
- 1.5.6 The council is in discussions with Middlesex University and Saracens Rugby Club to explore how an integrated offer could be developed at Copthall to create a local/regional elite sports hub. These discussions have led to the option to explore a possible Trust model which could include the council and key partners as well as residents' representatives. Further engagement will take place in the next phase of the project with current leaseholders and partners to develop this option.
- 1.5.7 The Trust would be responsible for the strategic management of all facilities on site including green assets to define how these can support the delivery of the SPA strategy. It is envisaged that mechanisms would be put in place to ensure that any income surplus is re-invested into community facilities or interventions via the Trust.

1.6 **Requirements from the market to achieve the vision**

- 1.6.1 A soft market testing exercise was undertaken with both GLL and other leisure providers. This has given the council confidence that the market can deliver a zero-subsidy provision with the provider potentially bringing the capital in exchange for a longer contract to allow them to recoup this investment (20 to 25 years).
- 1.6.2 Other funding options may be considered at procurement stage, for example the opportunity for the council to provide capital through prudential borrowing (repaid over the life of the contract through income generation from the sites) or that some capital could be raised through the disposal of land where facilities are re-developed in a different location.

1.7 **Constraints from the existing contract**

- 1.7.1 The current contract with GLL was drafted 10 years ago and does not allow a strong negotiating position for the council. As a result and despite negotiations

over the last 6 months, GLL has not come forward with any proposals that would take the council close to the current MTFS savings target or would significantly improve participation and health outcomes.

1.7.2 The contract also does not provide any termination clause. Following discussions, GLL has indicated that they would concede to a mutually agreed early severance of the contract; however they would seek an early severance payment.

1.8 Recommended option

1.8.1 The recommendation is to proceed with a re-procurement of the leisure contract. The preparation work for this would commence in August 2014 with a feasibility study for the three sites to be re-developed as part of the contract whilst also ensuring that the vision and objectives for sport and physical activity is embedded into the plans for the Brent Cross/ Cricklewood regeneration.

1.8.2 There are two main choices within this option:

- New leisure site management contract – where the five leisure sites transfer to a new management contract either at the expiry of the existing contract or through an early severance process. With this option the council will retain ownership of the assets and control over how they are managed and used. The new contract could include the re-development options for Copthall, Church Farm and Finchley and build in the provision of public health services.
- Asset transfer – the five leisure sites are transferred to a third party either through a land sale or to a long lease of up to 99 years. With this option the council relinquishes control over how the assets are managed and developed. The long lease will retain some control but the more restrictive the lease, the less attractive it becomes to the market. The market is not used to this kind of large scale lease and it is not known how attractive it would be to them.

1.8.3 The re-procurement option would provide a detailed analysis of the choices above.

1.8.4 The project will be conducted in three phases (pre-procurement phase, procurement phase and post-procurement phase) with a key gateway review in February 2015 at the end of phase 1 for Policy & Resources Committee to approve the approach and budget for phases 2 and 3. The high level timelines for the project are outlined below.

	Activity	Estimated Duration	Start Date	Completion Date
Pre Procurement Phase	Feasibility Study	6 months	01/08/14	31/01/14
	Master Plan	This is a separate piece of work that can be done during the feasibility phase but will take 3 months		
	Trust proposal	6 months alongside the feasibility study	01/08/14	31/01/14
	P&R approval of the plans for Copthall, the feasibility study and	1 day	17/02/14	17/02/14

	Activity	Estimated Duration	Start Date	Completion Date
	masterplan, procurement route and budget for phase 2			
	Specification Development	3 months – some of this work will happen during the feasibility study but once the study is complete a final specification / requirements document will need to be prepared	01/01/15	31/03/15
Procurement Phase	Procurement	Up to 18 months	01/04/15	30/09/16
	Outline Planning Permission	Concurrently towards the end of the feasibility study and during the initial procurement phase		
Post Procurement Phase	Council Approval Process	2 months	01/10/16	30/11/16
	Mobilisation	5 months – as this fall over the busy Christmas and New Year period a sufficient timeframe has been estimated	01/12/16	31/03/17
Award	Contract Start		01/04/17	

1.8.5 The Committee is asked to approve the initiation of a re-procurement starting with a feasibility study in August 2014 in order to deliver the Outline Business Case benefits as early as possible.

2. REASONS FOR RECOMMENDATIONS

- 2.1 National evidence (see section 1 of Outline Business Case) suggests that there is a significant cost to physical inactivity. Prevention through physical activity for disease groups could lead to a potential cost avoidance saving on healthcare and subsequent social care costs of £7.9m in Barnet.
- 2.2 A re-procurement will deliver a more robust contract and the ability to focus on the council's public health initiatives as well as the potential for reaching a zero-subsidy position from day one of the contract. The soft market test has indicated that zero subsidy should be the minimum aspiration, with an assumption that the longer the new contract term, the more likely it would be that any new commercial relationship would be able to not only be cost neutral, but also generate an income for the council.
- 2.3 A two-stage competitive dialogue procurement would enable the council the flexibility to discuss and finalise with bidders the variety of solutions that the market can deliver. This could include innovative supplier proposals along with the options involving asset transfer, capital investment and surplus share. However, the procurement approach and specifically whether a competitive dialogue or restricted process is the best approach will be tested during the feasibility study stage with a recommendation for a final decision by Policy & Resources Committee in February 2015.
- 2.4 Whilst not delivering any short-term savings, the longer term benefits are greater through this course of action than with the other options.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Two other options were considered as part of the Outline Business Case:
 - cease providing leisure services – this would achieve some savings although these would be offset by site disposal, redundancy costs etc. It clearly does not support the council's strategic objectives as set out in the Health and Wellbeing Strategy and carries a risk of degradation of public health outcomes. It may be unpopular with residents.
 - extension of existing contract with GLL for five years – to achieve some MTFS savings in the remaining contract term and reduced management fee during the extension period with a procurement process for a new contract to start at the end of the extension. However, these savings would fall significantly short of the MTFS targets and the existing contract cannot be substantially changed for the extension period, providing little opportunity to improve health outcomes.
- 3.2 More detail can be found about the criteria and scoring for the options appraisal in the Outline Business Case in Appendix 1.

4. POST DECISION IMPLEMENTATION

- 4.1 Pending approval by Policy & Resources Committee of the recommendation to start a re-procurement, the SPA Review will effectively conclude and the

delivery stage of the SPA project will start on 1st August 2014 with the pre-procurement phase.

- 4.2 An update will be provided to Policy & Resources Committee in February 2015 to ask for the approval of the outputs of the feasibility study and masterplan as well as making a decision on the best approach for the procurement phase (competitive dialogue or restricted process).

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Corporate Plan 2013-16 sets out the following priorities:

5.1.1.1 *Promote responsible growth, development and success across the borough:* the proposed re-development of the council's leisure facilities will support growth and create 'destinations' which integrate sport and physical activity with open and green spaces and places people want to go to.

5.1.1.2 *Support families and individuals that need it – promoting independence, learning and well-being:* a new contract with a focus on sports development and public health measures will encourage people in Barnet to keep fit and active and therefore support their wellbeing as well as contribute to address issues such as social isolation.

5.1.1.3 *Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study:* the proposed re-development of the council's leisure estate will provide facilities that meet the needs of Barnet residents and that they can be proud of.

- 5.1.2 The project will directly support the themes of 'wellbeing in the community' and 'how we live' from the Health and Wellbeing Strategy through the delivery of the SPA Strategy by the FAB Partnership Board and the procurement specifications.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 One of the project's objectives is to achieve a revenue-neutral leisure service. Currently the annual cost of the service is circa £1.2m. The options set out in this report suggest the achievement of a revenue-neutral leisure service, or a service that delivers additional income back to the council, all of which would be a significant improvement financially when set against the current cost of the service. These options vary in terms of the time taken to achieve a revenue-neutral position and the overall financial benefit over time, and are set out in section 5.6 of Appendix 1.

- 5.2.2 To achieve this, the next stage of the project will be to specify and deliver a procurement exercise for the council's leisure centres. The Committee is asked to approve a maximum budget of £427,000 from the Transformation Reserve to finance the delivery of the next phase (pre-procurement), broken down as follows:

<i>Activity</i>	<i>Cost</i>
Feasibility Study	£142,800
Master Plan	£30,800
Procurement	£4,200
Project Management	£35,360
Commercial lead	£123,250
Consultation	£35,000
15% contingency	£55,712
Total	£427,122

- 5.2.3 The project has assumed that the market will provide the capital investment required to re-develop Copthall, Church Farm and Finchley Lido sites. This will be explored further during the procurement process, together with other funding options e.g. prudential borrowing. As such, no provision will be made as part of the capital programme for SPA at this stage. This decision will be reviewed at key gateways in the project as options become clearer through discussions with the market.
- 5.2.4 The project will require strong leadership and resources to drive the sports development agenda. Currently, this role is fulfilled through a number of posts across the council. The Committee is asked to allow the project to look at consolidating these roles into a single function and for the procurement process to test out whether the sports development function is incorporated into the new contract for the provision of leisure centres and sport and physical activity. A recommendation for restructure will be taken to the General Functions Committee for approval for implementation from 2015/16.
- 5.2.5 A long-term lease or a new contract with a leisure provider may require for existing leisure centre staff as well as sports development roles within the council to TUPE across to the provider. Provision will be made for HR support as part of the budget for phases 2 & 3 of the project and the HR process will be followed upon completion of the procurement process.
- 5.2.6 The Committee is asked to note that following further due diligence, the savings put forward by GLL to reduce the management fee by up to £130,000 will disappointingly not be achievable. The shortfall will be financed through the council's reserves.
- 5.2.7 The Committee is asked to note that the short-term covering of the £967,000 savings target for 2015/16 and 2016/17 which will not be achieved through the project will be set out in the new MTFs in December 2014 which will go to Policy and Resources Committee in December 2014.
- 5.2.8 The Committee is asked to note that, as per contractual arrangements, GLL will increase prices as per the updated fee schedule in Appendix 2 from September 2014.

5.3 Legal and Constitutional References

- 5.3.1 As part of the review, the council commissioned legal firm Trowers & Hamblins to provide advice on the existing leisure contract with GLL.

5.3.2 If the Committee approves the recommendation to start a re-procurement, the council will need to comply with its Contract Procedure Rules (CPR).

5.3.3 Constitution, Responsibility for Functions, Annex A, sets out the terms of reference of the Policy and Resources Committee.

5.4 Risk Management

5.4.1 The key risks relating to the recommended option are outlined below. A more complete list of risks and dependencies is included in the Outline Business Case.

Risk	Impact	Likelihood	Mitigating action
If the council is not clear about its future leisure facility mix and strategic requirements for future leisure facility developments, there is a risk operators will be put off from engaging as the bid costs for this type of exercise are prohibitive.	Medium	Low	Six month feasibility and master planning stage should establish future requirements robustly enough for the procurement process. The procurement process will allow for refinement of detail with bidders.
Planning approval for the re-developed facilities is difficult to secure.	High	Medium	The feasibility study stage involving R ^E will test the options for each facility which will include planning considerations.
Despite discussions with the market during soft market testing there are no bids that can deliver zero subsidy from day one of a new contract.	High	Medium	Further market engagement will be undertaken through the pre-procurement phase. The procurement process will significantly inform the suppliers of the council's requirements and the flexibility to explore options involving both asset transfer and a new leisure site management contract provide greater scope to mitigate this risk.
Limited competition due to incumbent supplier's knowledge of the Barnet estate and alternative suppliers believing that GLL will be difficult to beat in a procurement competition.	Low	Low	On-going engagement during the pre-procurement phase and a transparent procurement process should give suppliers confidence in the integrity of the process.
Asset Transfer – that the council may not have the desired level of input throughout the term of the lease to ensure that sport and physical activity objectives are achieved.	Medium	Medium	Seek legal advice during the pre-procurement phase to ascertain the level of control that the council can exercise through the lease.
Asset Transfer – a restrictive lease discourages the market from competing for the assets.	Medium	Medium	Council to consult with stakeholders during the pre-procurement phase to define the level of control required.
Asset Transfer – The market is not interested in acquiring the assets.	Medium	Medium	On-going engagement with market to communicate the council's intentions.

Risk	Impact	Likelihood	Mitigating action
Asset Transfer – That an asset transferred to a third party becomes unsustainable for that third party and the responsibility for the asset is returned to the council, i.e. ‘the keys are handed back’.	Low	Low	Procurement process will assess the viability of potential bidders for the leases.

6. EQUALITIES AND DIVERSITY

- 6.1 The council and all other organisations exercising public functions on its behalf are required under the Equality Act 2010 to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. Barnet considers the impact of its proposals on the groups identified as protected characteristics in the 2010 Equality Act -Age, disability, ethnicity race and national origins, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, religion and belief sexual orientation.
- 6.2 The following other individuals and groups who might need extra help/can experience barriers and disadvantage are also included as relevant:
- Carers
 - Lone parents
 - Unemployed people
 - Young people not in employment education or training
 - People with a low income
- 6.3 The council published its Strategic Equalities Objective as part of the 2013 – 2016 Corporate Plan. The objective is enshrined in the constitution and states that citizens will be treated equally, with understanding and respect; have equal opportunity with other citizens; and receive quality services provided to Best Value principles.
- 6.4 As part of the Outline Business Case, initial consultation and engagement was conducted with a sample of Barnet’s residents with representatives from the varied communities and user groups within the borough, including residents with protected characteristics, to understand their needs and views on the current and future leisure service provision and to inform a desktop equality impact assessment (EIA).
- 6.5 This early equality analysis suggests that the outcomes of the project will not discriminate against any group and indicate a potential overall positive impact for the proposals. The proposals will also contribute to Barnet’s strategic equalities objective by enabling all Barnet’s residents to share the benefits of growth and improve life expectancy. Latest public health data (May 2014) shows the borough life expectancy for 2010-12 as Male life expectancy at birth as 81.4 years (2010-12 data) and Female life expectancy at birth as 84.5

years (2010-12 data). Men in Barnet live on average 2.2 years longer than the England average and women 1.5 years longer than the England average.

- 6.6 Bespoke analysis using ONS Census data 2011 suggests life expectancy for BME groups is broadly in line with the national average and white population. This research shows the lowest life expectancy for Black Caribbean men, Bangladeshi men (77.13) and Pakistani women (80.77). Source Portrait of Modern Britain policy exchange.org.uk.
- 6.7 Public Health uses a slope index of inequality based on local deprivation deciles which suggests that men in the most deprived 10% of Barnet live on average 7.8 years less than men in the least deprived 10% of the borough. Women in the most deprived 10% of the borough live on average 5.6 years less than the least deprived 10% of the borough.
- 6.8 The current Health and Wellbeing Strategy (2012 to 2015) coordinates a range of different partner priorities. This recognises the particular needs of older people, younger people (particularly NEETs and Troubled Families), people with learning disabilities and mental health problems and people with a lower socio-economic status and all these groups can benefit from the sports and physical activity proposals.
- 6.9 The objectives of the project are to increase participation across all user groups and to ensure improved sport and physical activity provision for all residents in the borough. It is possible that as part of the leisure facilities re-development, some facilities may be closed on a temporary basis for the duration of the re-development therefore leading to a lack of provision for some service users. Where it is possible to find another solution (e.g. keep running the existing facility while a new facility is being re-developed on another location), this will be investigated. However, any such impact will be temporary and will be outweighed by the benefits gained from improved facilities and better access in the long term.
- 6.10 A rapid Health Impact Assessment (HIA) was also carried out as part of the Outline Business Case to evaluate the impact of the options put forward. The conclusions drawn from the rapid HIA were that the overall benefit of a re-procurement of the contract outweighs all other in terms of achieving sustainable, long-term and cost effective public health outcomes. If this option is approved, it is recommended that a full HIA is conducted once the first phase of the procurement has concluded. A detailed HIA will provide valuable information into the effects of any such changes on the local community especially the vulnerable groups.
- 6.11 Both the EIA and HIA will be updated in the next phase of the project to inform further decisions required by Members.

7. CONSULTATION AND ENGAGEMENT

- 7.1 A consultation was conducted with residents in the autumn 2013. 1,200 residents were engaged through area-based workshops and a phone survey

to find out how the council can help residents keep fit and active. The findings from the consultation have informed all the outputs from the project including the SPA Strategy and draft Delivery Plan, the vision for leisure for Barnet and the options appraisal. The full report can be found on the council's website http://engage.barnet.gov.uk/adult-social-services/sport-and-physical-activity-review/user_uploads/final-leisure-services-report.pdf

- 7.2 The council undertook a soft market test with leisure providers to discuss best practice and options available to achieve the SPA Review's objectives.
- 7.3 The project also engaged with partners to discuss opportunities for joint working and the delivery of better outcomes for residents from sport and physical activity.
- 7.4 Further engagement will take place in the next phase of the project at the feasibility study and planning stages.
- 7.5 A consultation plan will be prepared at the start of the next phase, detailing the consultation requirements for each phase of the project and how they will take place with residents and other key stakeholders.

8. BACKGROUND PAPERS

- 8.1 Cabinet Resources Committee, 27 September 2011 (Decision item 15) – approved the negotiation of terms, with the Contractor, Greenwich Leisure Limited, for termination of the current Leisure Management Contract. <http://barnet.moderngov.co.uk/CeListDocuments.aspx?Committeed=151&MeetingId=456&DF=27%2f09%2f2011&Ver=2>
- 8.2 Cabinet Resources Committee, 18 October 2012 (Decision item 15) – approved the Sport and Physical Activity Strategic Outline Case, including the draft SPA Strategy Statement. <http://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=4416>
- 8.3 Cabinet Resources Committee, 4 November 2013 (Decision item 5) – approved the Sport and Physical Activity Outline Business Case. <http://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=5035>
- 8.4 Health and Well-Being Board, 12 June 2014 (agenda item 14) – approved the establishment of the Fit and Active Barnet (FAB) Partnership Board and noted the Sport and Physical Activity (SPA) Strategy delivery plan <http://barnet.moderngov.co.uk/documents/s15393/Fit%20and%20Active%20Barnet%20Partnership%20Board%20and%20Sport%20and%20Physical%20Activity%20Strategy%20Delivery%20Plan.pdf>

REPORT CLEARANCE CHECKLIST

(Removed prior to publication and retained by Governance Service)

Report authors should engage with their Governance Champion early in the report writing process and record the date below. If the decision/report has been reviewed at an internal board please record the date and name of the meeting (e.g. SCB). Otherwise enter N/A. All reports must be cleared by the appropriate Director/AD, Legal, Finance and Governance as a minimum. **Legal, Finance and Governance require a minimum of 5 working days to provide report clearance. Clearance cannot be guaranteed for reports submitted outside of this time.**

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