

Meeting: Transition (LGR) Overview and Scrutiny Committee

Members: Councillors Philip Broadbank, Nick Brown, Caroline Dickinson, Kevin Foster, Richard Foster, Bryn Griffiths (Vice-Chair), George Jabbour, Andrew Lee, John Mann, Heather Moorhouse, Bob Packham, Stuart Parsons, Clive Pearson, John Ritchie and Malcolm Taylor (Chair).

Date: Monday, 4th December, 2023

Time: 2.00 pm

Venue: Brierley Room, County Hall, Northallerton, DL7 8AD

Members of the public are entitled to attend this meeting as observers for all those items taken in open session. Please contact the Democratic Services Officer, whose details are below, if you would like to find out more.

This meeting is being held as an in-person meeting.

Recording is allowed at Council, committee and sub-committee meetings which are open to the public, please give due regard to the Council's protocol on audio/visual recording and photography at public meetings. Anyone wishing to record is asked to contact, prior to the start of the meeting, the Democratic Services Officer, whose details are at the foot of the first page of the Agenda. We ask that any recording is clearly visible to anyone at the meeting and that it is non-disruptive.

AGENDA

1. Apologies for Absence

2. Minutes of the Meeting held on 4 September 2023 (Pages 5 - 12)

3. Declarations of Interests

All Members are invited to declare at this point any interests they have in items appearing on this agenda, including the nature of those interests.

4. Exclusion of the Public

Members are recommended to exclude the public from the meeting during consideration of each of the items of business listed in Column 1 of the following table on the grounds that they each involve the likely disclosure of exempt information as defined in the paragraph(s) specified in column 2 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to information)(Variation) Order 2006:-

Item number on agenda	Paragraph Number
9	1

Enquiries relating to this agenda please contact Will Baines, Principal Democratic Services and Scrutiny Officer
Tel: 01609 533885

or e-mail william.baines@northyorks.gov.uk

Website: www.northyorks.gov.uk

5. Public Participation

Members of the public may ask questions or make statements at this meeting if they have given notice (to include the text of the question/statement) to Will Baines, Principal Democratic Services and Scrutiny Officer (*contact details below*) no later than midday on Wednesday 29 November. Each speaker should limit themselves to 3 minutes on any item. Members of the public who have given notice will be invited to speak:-

- At this point in the meeting if their questions/statements relate to matters which are not otherwise on the Agenda (subject to an overall time limit of 30 minutes);
- When the relevant Agenda item is being considered if they wish to speak on a matter which is on the Agenda for this meeting.

If you are exercising your right to speak at this meeting, but do not wish to be recorded, please inform the Chair who will instruct those taking a recording to cease while you speak.

6. Verbal update from Robert Ling, Director of Transformation on LGR progress

7. Strategic Leisure Review (Pages 13 - 40)

8. Mayoral Combined Authority Governance (Pages 41 - 54)

9. Delivering Restructures (Pages 55 - 60)

10. Discussion on committee name change

11. Standing items update

12. Work Programme (Pages 61 - 62)

13. Any other items

Any other items which the Chair agrees should be considered as a matter of urgency because of special circumstances.

14. Date of Next Meeting

Monday 11 March 2024, 10am start.

Members are reminded that in order to expedite business at the meeting and enable Officers to adapt their presentations to address areas causing difficulty, they are encouraged to contact Officers prior to the meeting with questions on technical issues in reports.

Contact details:

For enquiries relating to this agenda, please contact Will Baines, Principal Democratic Services Scrutiny Officer - Tel: 01609 533885 or email: william.baines@northyorks.gov.uk

Barry Khan
Assistant Chief Executive
(Legal and Democratic Services)

County Hall
Northallerton

Friday, 24 November 2023

This page is intentionally left blank

North Yorkshire Council

Transition (LGR) Overview and Scrutiny Committee

Minutes of the meeting held on Monday, 4th September, 2023 commencing at 10.00 am.

Councillor Bryn Griffiths in the Chair plus Councillors Philip Broadbank, Eric Broadbent (substitute), Nick Brown, Caroline Dickinson, Kevin Foster, Richard Foster, George Jabbour, Heather Moorhouse, Stuart Parsons, Clive Pearson and John Ritchie.

In attendance: Councillors Derek Bastiman and Carl Les.

Officers present: Dave Caulfield, Janet Deacon, Martin Grainger, Nic Harne and Robert Ling, Julian Rudd, Trevor Watson, Will Baines and Nicki Lishman.

Apologies: John Mann, Bob Packham, Kirsty Poskitt and Malcolm Taylor.

Copies of all documents considered are in the Minute Book

1 Apologies for Absence

Apologies for absence were received from Councillors Malcolm Taylor, John Mann, Kirsty Poskitt and Bob Packham, with Councillor Eric Broadbent attending as his substitute.

2 Minutes of the Meeting held on 19 June 2023

Resolved -

That the minutes of the meeting held on 19 June 2023, having been printed and circulated, be taken as read and confirmed as a correct record.

3 Declarations of Interest

Councillor George Jabbour declared a personal interest in item 9 on the agenda - North Yorkshire Destination Management Plan, as he used to run a project to promote Yorkshire, to support businesses in the tourism industry and to attract more visitors and investment to the region.

4 Public Participation

No public questions or statements were received.

5 Verbal Update from Robert Ling, Director of Transformation on LGR Transition

Robert Ling, Director of Transformation, attended the meeting to give an update on the Local Government Reorganisation (LGR) transition to one Council, as it was now 150 days since Vesting Day.

Some of the key points highlighted in the presentation are as summarised below:

- Robert highlighted the huge geographical size of the new unitary authority at 8,000 square kilometres, in which you could fit the areas of Essex, Greater London, Birmingham, Manchester and Liverpool and still have space left.
- The convergence of services from the former district and borough councils into a single unitary council and establishing a new operating model was continuing at pace, with the desire to transform together alongside putting in place aligned structures, budgets, systems and processes.
- Robert reminded the committee of the foundations of the new council operating model, focused on Customer, Locality, Service delivery, Strategic core and Enabling services.
- He also displayed the resources identified to deliver the service plans, with Technology, Finance and Procurement the top three resources required. There is a need to maximise internal resources to help deliver the next transformation phase.
- A prioritisation exercise is underway, to rank the service areas in terms of the resource required and how deliverable they are.

Following the presentation, questions raised by the committee included:

- To what extent is public feedback and views of the new Council taken into account as part of the service transformation process?
- Are the timescales on track with identifying savings and disposing of surplus assets?
- It was asked if committee members could be provided with a copy of the Managers Handbook
- Issues were raised around the prompt payment of invoices and improvements required to the current Finance system.
- The pros and cons of home working, in order to attract the right calibre of new employees to the new Council were discussed.

Resolved – That the presentation be noted.

6 Verbal Directorate Update from Nic Harne, Corporate Director of Community Development

Corporate Director for Community Development, Nic Harne, attended the meeting to give an overview of the work going on within the directorate.

Some of the key points highlighted in the presentation are as summarised below:

- In the new Community Development directorate, 90% covers work previously undertaken by former district and borough councils.
- Emerging themes to focus on included Health and wellbeing, Place and regeneration, Net Zero and climate resilience and Culture (customer focus and driven by data and performance).
- Since transition, across the directorate there has been a focus on safe and legal service delivery, together with the development of stage 1 structures and engagement on a number of strategies and policies.
- Moving forward, the focus is to move quickly to complete stage 2 structures, embed these new structures and ways of working, together with driving place based approaches through the range of services delivered.

Following this, questions raised by the committee included:

- How homelessness help can be provided locally to take account of the variations in different areas across the county rather than a blanket approach?
- The patchwork approach to implementing selective licensing was leading to concerns from areas feeling left out and no idea of the plans for expansion into other areas of North Yorkshire. It was felt that the position was unclear at present.
- The need for an area specific focus in Planning services, which would be discussed further under the next agenda item.

Resolved – That the update be noted.

7 Planning Service Update

Considered – A presentation from Trevor Watson, Assistant Director, Planning and Martin Grainger, Head of Development Management.

Some of the key points raised in the presentation are as summarised below:

- Since the formation of the new authority in April, 1200 to 1400 decisions have been made on planning applications across North Yorkshire.
- The system put in place from 1st April was to be safe and legal, with officers keen to monitor and understand that before making changes to that system.
- The remits of the current Strategic Planning Committee and the Area Planning Committees were set out.
- Officers are looking at this and keeping the performance of the service under review, and are keen to understand specific examples.
- It was noted that there is a different approach to site visits currently and a consistent approach is needed.
- The timing allocated to public speakers was adopted from the previous County Council. This will form part of the service review.
- There needs to be consistency of notification of applications received and decisions made for affected members.
- The report and presentation formats are slightly different across the former district and borough council areas.
- A Planning Enforcement Management Plan is being developed to set out how North Yorkshire Council will ensure decisions are carried out as agreed.
- A number of legacy areas have had no dedicated enforcement resource in place, so it has been a priority to make the best use of the enforcement staff in post across the county.
- The planning service continue to collate, monitor and evaluate information on the committee and delegated decisions made, whilst continuing to work with Planning Chairs and Vice-Chairs to be able to make recommendations to develop the service at the appropriate point.
- It was noted that the number of officer delegated decisions has increased for most areas in the county. The right balance is needed to make sure the Area Planning Committees consider the right applications.
- It was reiterated that the planning team are approaching things with an open mind before putting forward recommendations after a suitable period of review.

Following this, questions and comments raised by the committee included:

- There are differences in the pre-application provision across the county, where some legacy authorities do offer one and others do not. Officers felt pre-apps help improve the quality of the applications coming in and are meaningful, so are a useful tool.
- Without enforcement, the planning system does not work and a quality enforcement service is required as part of the new council. Prioritising the current casework from the legacy councils and the legal oversight needed is underway now, with a plan to follow for the future service by the end of the financial year. The need for the public to see enforcement action carried out is key to act as a deterrent.
- Several committee members were keen to see the reinstatement of the ability to ask questions to developers during committee meetings. This would be considered as part of any service review.
- The involvement of elected members in the decision making process for planning applications was emphasised as an important consideration.
- The need for consistent decisions across the county using the same approach was felt to be required.
- The need for councillors to call in planning applications submitted where individual members have concerns was emphasised.
- The impact of parliamentary constituency boundary changes on the current Planning Committee areas was discussed.
- A query was raised about the investigation of complaints on planning officers and whether these are carried out independently. In response, the corporate complaints process was outlined.

In summing up the discussions on the item, the Chair gave his personal thoughts, including that:

- The weekly application updates received by elected members are useful.
- The three week limit for councillors to call-in application needs extending, to take account of monthly parish council meetings.
- The 500 homes threshold for the Strategic/Area Planning Committee needs to be re-examined.
- Planning committees should routinely hear feedback from appeal decisions by the Planning Inspectorate, to better understand and learn from them.

Resolved – That the report be noted.

8 North Yorkshire Economic Growth Strategy

Considered – Report of Dave Caulfield, Assistant Director – Economic Development, Regeneration, Tourism and Skills to present the second draft of the North Yorkshire Economic Growth Strategy.

Some of the key points highlighted in the report are as summarised as below:

- It has been important to listen to key stakeholders and engage with the public in developing the new Economic Growth strategy. This has included gathering feedback through consultation events such as sector workshops, local discussions, virtual sessions and member engagement through workshops. This has produced a strategy document that is ambitious and informed by the comments that have been

received.

- Officers are conscious that the ambitions set out in the strategy cannot be delivered by the Council on its own, it will require lots of partnership working to achieve its objectives. The final strategy also has to interact with other key NYC documents, such as the Local Plan, Local Transport Plan and the Destination Management Plan.
- The relationship with the LEP and MCA when formed is key, with joint work already taking place on an emerging Economic Framework for the new Combined Authority.
- The main changes from the first draft of the strategy has been including a higher level of ambition and greater emphasis on the Council's role and stronger reference to specific and distinct place opportunities.
- The three pillars of the strategic framework are Enterprise (Support for businesses), Infrastructure (Places) and People (Skills).
- Significant work will take place following approval of the strategy on local-level action plans, which will take account of the views of the Area Constituency Committees and Community Networks to develop local detail and priorities. These local-level action plans will be SMART and progress updates can be brought to members on a regular basis.
- It will be important to develop a robust project pipeline to submit when external funding streams become available and improve the performance of the county in successfully leveraging in this funding.
- The strategy will run for five years, with reviews to take place annually.

Following this, questions and comments raised by the committee included:

- It was pleasing to see the commitment to Area Constituency Committees and Community Networks as part of the ongoing dialogue on the local level action planning to follow on from the development of this strategy.
- To what extent can the skills gaps identified be filled by working with local partners in the county and neighbouring areas to find solutions. For example, a recent Local Skills Improvement Plan developed by West & North Yorkshire Chamber of Commerce has already produced an evidence based strategy to set out an understanding of local circumstances, needs and aspirations for skills development across the business community.
- A business directory was suggested to make securing a local supplier easier.
- Given the external influences that the strategy will depend on, it will be important to set any performance indicators in that context.
- Where the Council can lead on parts of the strategy, it should do sharply and quickly to bring forward solutions. In response, an example was given of developing small business space within North Yorkshire and the Council leading quickly on making this happen.
- Transport infrastructure and delivery will be crucial to the delivery of the strategy, as it is a big concern, particularly in rural areas.
- The importance of the Harrogate Convention Centre as a key economic asset for the local economy was stressed.
- The resources required to deliver the strategy was questioned. In response, it was felt that if external funding can be unlocked, then this will help to increase staff capacity to achieve more for North Yorkshire.
- It was noted that the smaller market towns play an equally important part in people's lives and the local economy and should be recognised.

Resolved –

- i) That the report be noted
- ii) That the Members feedback received be taken into account in the final draft of the strategy

9 North Yorkshire Destination Management Plan

Considered – Presentation by Janet Deacon, Head of Tourism and Culture (Scarborough) and Dave Caufield, Assistant Director – Economic Development, Regeneration, Tourism and Skills on the draft Destination Management Plan (DMP).

Some of the key points highlighted in the presentation are as summarised below:

- It is a challenge to develop one DMP to cover the diversity of places across a county the size of North Yorkshire.
- We need to continue to emphasise the local distinctiveness of places and local brands and identifying where we could do more.
- The value of the visitor economy is estimated to be worth between £1.5bn – £2bn to the local economy, attracting between 33 to 37 million visitors – 10% of the total North Yorkshire economy.
- The ambition is to grow the value even further by around 4% to 5% year on year and grow the number of overnight visitors to more than 20% of all visits.
- Having one co-ordinated plan which is private sector led with a clear steer from the Council will ensure that the industry is shaping the priorities and actions to support future growth.
- In order to submit a bid to become a Local Visitor Economy Partnership, a Destination Management Plan that is under development is required.
- Officers are confident that the priorities set out in the DMP reflect those of the sector.
- There is a need to build a definitive evidence base for tourism across North Yorkshire in a consistent way to have a clear idea of the overall offer to set measurable targets.
- As part of the DMP, it will be crucial to convert day visitors into staying visitors, to attract and disperse visitors so that they come to the current honeypot areas but experience and explore the rest of North Yorkshire.
- Some feedback from the stakeholder consultations was that transport accessibility is key, clarity over who manages which area is needed, and how businesses can engage with these was important.
- The recruitment and retention of staff in the tourist and hospitality industry is a major issue, but there is pride in the destination and this should be preserved and nurtured.
- There is an opportunity for collaboration between stakeholders for quality product development. A repository is required to collectively work together to maximise the opportunity to showcase local producers to visitors.

Following this, questions raised by the committee included:

- What the process for gaining Local Economy Visitor Partnership (LVEP) status is going forwards and what the next steps are to put in place a Destination Development Partnership for Yorkshire as a whole.
- The night time economy in North Yorkshire should be highlighted in the DMP and the availability of parking to encourage visitors.

- The 'Yorkshire' brand is a strong one from a tourist point of view and should not be denigrated.
- The importance of transport connectivity to support the visitor economy in North Yorkshire

Resolved – To note the presentation and for the comments received to be taken into account in the final version of the North Yorkshire Destination Management Plan.

10 Standing items

Resolved - The updates on the standing items were noted.

11 Work Programme

Resolved – To note the current Work Programme.

12 Any other items

There were no other items.

The meeting concluded at 1.20 pm.

This page is intentionally left blank

North Yorkshire Council

LGR Transition Overview and Scrutiny

4 December 2023

Strategic Leisure Review

Report of the Corporate Director [Community Development].

<p>1.0 PURPOSE OF REPORT</p> <p>1.1 To seek support for the key findings from the first phase of the Strategic Leisure Review in terms of the proposed new delivery model and proposals for the future management arrangements of the service. To set out the scope for the second phase of the Strategic Leisure Review which is the undertaking of a Leisure Investment Strategy.</p>
--

2.0 SUMMARY

- 2.1 This report outlines the initial findings and recommendations from phase 1 of the Strategic Leisure Review. It recommends a new delivery model for a sport and active well being service, with a strong focus on health and well being and which promotes a strong integration between physical facilities (leisure centres), sports development and place based delivery.
- 2.2 This report also sets out the management options for the new service, taking into account the current complex management arrangements for the service and the assessment against a range of financial and non financial criteria. The report concludes that the current arrangements be streamlined over a phased period as current contracts end - with delivery moving ultimately to a single in house model over a 4 year period, with some flexibility over the phasing.
- 2.3 The report further outlines the scope of the next phase of the Strategic Leisure Review – the undertaking of a Leisure Investment Strategy.

3.0 BACKGROUND

- 3.1 In December 2022, the Council’s Executive agreed the scope of a strategic review of leisure services as set out below.



- 3.2 The Review has been supported by a cross party Member Working Group as below, chaired by the portfolio holder, Cllr. Simon Myers.
- Cllr. Mark Crane
 - Cllr. Roberta Swiers
 - Cllr. Caroline Dickinson
 - Cllr. Paul Haslam
 - Cllr. Peter Wilkinson
 - Cllr. Pat Marsh
 - Cllr. Rich Maw
 - Cllr. John Cattanach
 - Cllr. David Noland
- 3.3 The Member Working Group have undertaken a series of visits to facilities across the county, from all operators and including community owned/managed facilities. The group participated in workshops and a number of meetings to assess and challenge the emerging model and recommendations. The Working Group conclusions were:
- The Working Group fully supported the new delivery model as set out below, particularly the focus on health and well being, sports development and locality focused delivery. The phased approach to implementation was supported.
 - The Working Group fully supported the recommendation that a procured model was not appropriate at the current time and wished to see the service delivered through a council controlled model. It was recognised that the cost/benefits between the in-house model and Brimhams Active were similar and the strengths of each were recognised.
 - The Working Group supported the consolidation into a single model over the longer term, however, the phasing of this and the balance between the in-house and LATC model were considered to be best determined by Officers as part of wider operational considerations.
- 3.4 The Review has been jointly led by the community development service and public health, supported by the Member Working Group above and an internal leadership group comprising of finance, legal, procurement, HR and property representatives.
- 3.5 The Review has been supported by SLC Consultancy who were commissioned to provide specialist support for the review including technical input, critical friend, insight and expertise around the delivery and management models.
- 3.6 The review has been underpinned by wider engagement with communities and key stakeholders as set out in section 5 below.
- 3.7 The Strategic Leisure Review is being undertaken in phases. This report relates to the recommendation from phase 1 which has focused on
- Development of a clear, long term vision and delivery model. Understanding and reaching consensus about what we want our leisure service to look like.
 - Identification of the preferred management model which best enables the North Yorkshire vision and delivery model to be achieved.
 - Implementation plan, phasing and key outcomes from each stage
 - Review of current asset condition
 - Social value and financial assessments
- 3.8 Phase two is the development of a Leisure Investment Strategy which will set out options relating to individual sites, specifically areas of investment and potentially disinvestment. This is further set out in section 4 below.

4.0 STRATEGIC LEISURE REVIEW ASSESSMENT AND FINDINGS

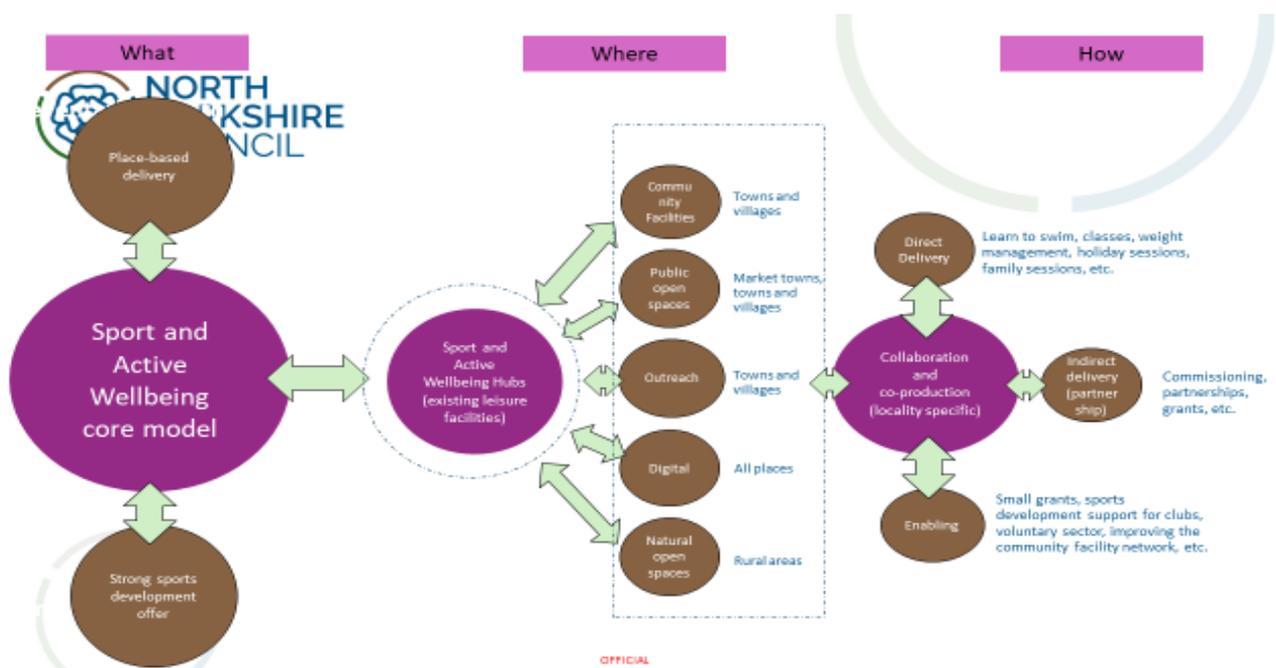
4.1 North Yorkshire Council has one of the biggest leisure portfolios in the Country, with 19 leisure centres, including 16 pools in addition to 3 well being hubs (Harrogate), a nursery (Harrogate), the Turkish Baths and the Summit (Selby). There are five different operators currently, including two outsourced providers (IHL in Selby and Everyone Active in Scarborough and Ryedale); in house provision in Hambleton and Craven, a Leisure Trust that runs Richmondshire Pool and Brimhams Active in Harrogate, a wholly owned Local Authority Trading Company (LATC).

Delivery Model

- 4.2 A new delivery model is proposed for the service. This has been developed based on the original scope (approved by the Executive in December 2022), current state analysis and the engagement work. It is closely aligned with national policy and strategic thinking and puts the council at the forefront of a national movement to transform the role and function of Local Authority leisure services with a renewed focus on physical and mental health and wider well being.
- 4.3 The costs associated with physical inactivity are well documented, with physical inactivity associated with 1 in 6 deaths in the UK and costs of £7.4billion annually (£0.9billion to the NHS). The UK population is 20% less active than in the 1960's and if trends continue projected to be 35% less active by 2023. The impact of inspiring and supporting people to be more active is life changing.
- 4.4 The new delivery model is a bespoke model for the unique circumstances of North Yorkshire. It builds on some of the good practice we have but represents significant and ambitious transformational change. The aim is for high impact, preventative services that have the capacity to take demand out of the wider health and social care system and improve population health.
- 4.5 The delivery model will shift the traditional leisure service to a sport and active well being service. This builds on the work that is already happening across the County to provide a range of targeted support (e.g. for specific conditions, pre and rehab, healthy weight, exercise referral, dementia, frailty and pain management etc.) as well as increasing the inclusivity of programmes (e.g. walking formats, disability sport and programmes targeted at groups such as care leavers, foster carers and homeless people). It recognises the costs to the public sector of inactivity and enables a greater contribution to wider Council outcomes around public health and social care.
- 4.6 The model below is not just about what happens in leisure centres but promotes a strong integration between physical facilities (sport and well being hubs), sports development and place based delivery. Key components include:
- Transforming our leisure centres into **sport and active well being hubs** – this will be a phased approach, adapting the existing space, developing new universal and targeted programmes, developing options with wider partners and looking at longer term options through the Leisure Investment Strategy.
 - Sport and Active Well Being Hubs will operate as a hub and spoke model with a network of **locality based services**, which meet the needs of local communities and are developed through collaboration and co-production. This might include direct delivery through outreach, innovative digital delivery alongside supporting

community groups and sports clubs in providing opportunities for people to become more active.

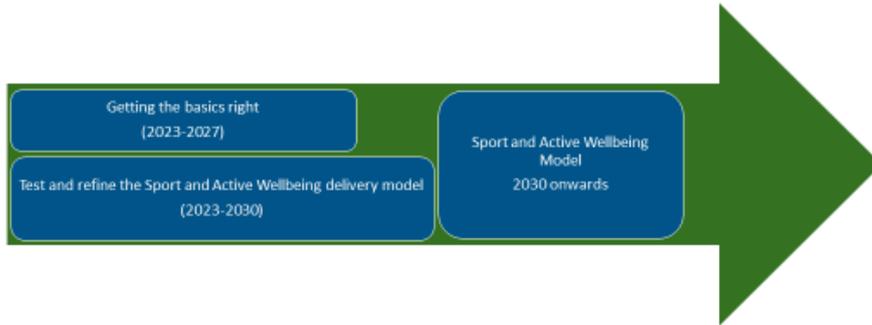
- The approach is locally specific and a mix of targeted and universal provision, so there is scope to develop targeted programmes for specific areas or to meet the needs of specific groups who may face additional barriers to participation.
- The approach recognises the contribution of physical activity to preventative health and the potential for greater partnership in **prevention** with the NHS, securing more resources to reduce downstream pressure on the system
- **The approach is to scale and adapt** expertise in sport and active wellbeing across the County.
- Key to the success of the new model is an upskilled sport and active wellbeing **workforce**, with a range of skills and capabilities that reflect the needs of their communities and enable us to address recruitment and retention issues which inhibit service delivery.



4.7 The phased approach to implementation (2023-2030) is key to the successful transformation of the service. The period and phasing reflects the starting position and the need for change to be sustainable and affordable. An incremental approach de-risks the approach and better enables us to deliver successful transformational change in services in a period of major internal service change.

Delivery Model - when

Transformation Phases 2023-2030



OFFICIAL

Management Model

4.8 The assessment of the management options is complex and nuanced, reflecting a complex starting position and a number of uncertainties. The appraisal has assessed a set of financial and non financial indicators and taken account of the specific circumstances in North Yorkshire, specifically

- We are probably the largest leisure providers in the Country We have a complex mix of existing management models.
- We don't have a stable, single current state for easy analysis or comparison – financial patterns are distorted by the impact of Covid and the challenges of bringing together 7 different ways of operating. We don't yet have an agreed Countywide Leisure Investment Strategy (this is the next phase of the Review).
- We need a model that is flexible enough to support major service transformation at the same time as a change of operator. i.e. we want a focus on delivery at the same time as we undertake major internal restructuring. A potential risk is we become inward facing and lose the opportunity to deliver genuinely transformed services for communities.
- We want to retain strategic control of services and flexibility as we transform services in the coming years, the non financial assessment criteria reflected these priorities.

4.9 The assessment is shown at Appendix one and considered a number of criteria as summarised below:

Financial Criteria	Non Financial Criteria
Comparative revenue cost	Strategic control and accountability
Financial certainty	Flexibility to implement a leisure management strategy
Mobilisation costs	Flexibility for service transformation
Access to capital funding	Ability to work with system partners
Access to revenue funding (other partners)	Contribution to social value
Transfer of commercial risk	Delivery of unique, place based interventions

- 4.10 Models were assessed based on the above criteria against three options:
- Commissioning an operator through procurement resulting in the appointment of a multi-site leisure operator. These operators are normally non profit distributing or hybrid private operators with a non profit arm.
 - Directly commissioning services through a Local Authority Trading Company (LATC). The Council already has a LATC in Brimhams Active which manages the Harrogate sites. For the assessment it was assumed that the LATC option would involve expanding Brimhams Active.
 - Direct commissioning through in-house management as is currently the case in the former districts of Craven and Hambleton.
- 4.11 The financial assessment in Appendix 1 provides a comparison of the potential costs of each management model. It is based on historical information from 22/23 from the legacy district arrangements. It reflects income and expenditure for each centre from all operators (not the actual costs to the Council) and relates to leisure centre income and expenditure only, as the largest component of leisure expenditure. It is not an indication of costs going forwards, rather a comparison of the relative costs of each model.
- 4.12 The model takes into account some key variables in particular the impact of NDR relief, VAT treatment, staffing costs (based on differential terms and conditions) and builds in expectations about how each model would be expected to behave. Crucially this assumes that a procured model (and to a lesser extent the LATC model) will drive higher levels of income and lower expenditure.
- 4.13 It should also be noted the relatively high level of management/support costs in the baseline. These are unusually high but they reflect the legacy arrangements and the way that support services costs were apportioned against budgets (rather than reflecting actual costs). Whilst these are costs for the leisure service specifically it is worth noting that these costs largely reflect internal support charges and therefore this is money that remains within wider Council budgets. Comparisons between the inhouse/LATC models and the procured provider should note that with a procured model support costs will be external to the Council, whereas the in house and LATC model retain these services in house as support services income.

Competitive Commissioning of an operator partner

- 4.14 A competitive procurement which resulted in a multi site trust operator has the potential to deliver lower costs for the Council based primarily on reduced staffing costs, arising from less favourable terms and conditions, the impact of NDR relief and assumptions about higher levels of income and lower expenditure based on economies of scale. Whilst these are general assumptions it is worth noting that North Yorkshire is not typical in this respect and given the size and scale of the leisure operation it is reasonable to assume there are opportunities to develop expertise and economies of scale which are more difficult with smaller services consisting of only a few sites.
- 4.15 The assessment concluded that despite outsourced leisure models generally delivering lower costs there would be significant challenges in these being realised within a North Yorkshire context at the current time. Management contracts are most effective when there are clearly defined services set out in a service specification. Taking into account the current array of contracts, end points and the scale of service transformation proposed both within and outside leisure centres, it is unlikely that a comprehensive service specification could be developed at this stage without the need for future variations, as aspects of the service are developing and liable to change.

- 4.16 The degree of strategic control, flexibility and ease of working with stakeholders and system partners are key to the successful transformation of services and were significantly less favourable for the procured model assessment.
- 4.17 Overall a procured model was not recommended for North Yorkshire at this time.

LATC Model

- 4.18 The assessment assumes similar staff terms and conditions (and costs) between the in house service and LATC as Brimhams staff are on similar local authority terms and conditions.
- 4.19 The assessment assumes a higher level of income generation through the LATC model than the in house model arising from more commercial focus, agility and freedom to innovate, although less than a procured operator.
- 4.20 The LATC model benefits from full NDR relief of circa £850k. It has similar VAT benefits as a leisure trust, although not as favourable as for in house operations under the recent Chelmsford ruling whereby the courts found that local authority leisure services were provided under their statutory framework and could be treated as non business activity for VAT purposes.
- 4.21 The non financial assessment is more favourable than a procured operator model and there are similar benefits with the LATC and the in house model in terms of flexibility and working with system partners. However, strategic control is slightly lower with the LATC, reflecting the need for additional governance through the Board structure and a more arms length management approach.

In-house model

- 4.22 The in house model offers the most flexibility and direct strategic control, although is also the model with potentially the highest relative cost. The model assumes that the in house model will generate lower levels of income than the other options. However, it should be noted that the North Yorkshire service is not typical and that given the size of the service and the opportunities to develop both expertise and economies of scale that the impact of this assumption is likely to be less significant than in a smaller services consisting of only a few sites.
- 4.23 There is a difference in relative costs between the in house model and Brimham of just over £1million. These costs relate primarily to the additional costs for the in house model of NDR. The additional costs of this were £850k for 22/23 (although are now higher). However, it should be noted that the Council retain 50% of NDR so the impact of this is significantly reduced.
- 4.24 The other key difference was in the support services costs, being £260k higher for the in house model, although caution is required with this figure as it relates to 22/23 apportioned and not actual costs. Brimhams receive their support services through the Council, so it would reasonably be expected that actual future support costs should be very similar for both the in house and Brimhams models.
- 4.25 The in house model is the most VAT efficient model, following the recent Chelmsford ruling and offers financial benefits over both the LATC and the procured operator model.
- 4.26 Overall the cost/benefits for an in house and LATC model are likely to be similar

- 4.27 In terms of the delivery model Brimham is the most advanced of the providers in terms of the development of the health and well being approach and is undertaking innovative work in workforce development and training to support the pivot to well being. There would be benefits in retaining this expertise and approach – learning from and scaling up this approach, particularly during the transitional period.
- 4.28 However, expertise in wider sports development, place based working and support for a community asset based approach is more developed within the in house model (and the wider locality/stronger communities approach of the Council as a whole). Both approaches are key to the successful delivery of the new model for sport and active well being.
- 4.29 Given the current position within North Yorkshire, the scale of the transformation and that the Leisure Investment Strategy is not yet completed, the management model assessment recommended a phased approach to delivery during the transformation period, streamlining and consolidating from the current 5 operators into a council controlled model.
- 4.30 Taking into account the benefits from both the in house and the Brimham models, the analysis suggests one option could be to consolidate into a dual model, combining the in house service and the Brimhams LATC, with close integration between the two models, with then a further review at this point (2028). There is merit in this approach, but also potential disbenefits in terms of added uncertainty, different approaches, additional complexity and potentially cost in operating a dual model.
- 4.31 A single in house model offer would provide clarity and consistency for customers, a clear link with democratic decision making and strategic control for the Council and overall it is considered there are significant benefits in moving towards a single in house operating model, over a phased period and this is the preferred option taking all factors into account.
- 4.32 It is proposed there is some flexibility about the migration programme to allow for operational factors to be taken into account however, the principle is that the current contracts would be migrated in a phased way to an in house model, as current contracts end between 2024 and 2027. This means Selby sites migrating in September 2024 to the in house service (rather than to Brimhams as previously agreed).
- 4.33 This approach offers a significantly streamlined and simplified operating model than the current arrangements and the phased approach aims to minimise disruption and enables the focus on transforming services to be maintained. However, it has to be recognised that this is a significant amount of management change and will require significant capacity within the service and wider support services to support this, at a time of significant change and transformation across the wider Council.

Phase 2 – Leisure Investment Strategy

- 4.34 The Council undertook asset condition surveys as part of the Strategic Leisure Review. A summary of the asset condition costs is shown in the table below.

Summary table of estimated costs	Urgent	Year 0-2	Year 3-5	Year 6-10	Year 11-20	Total
Estimated Building Fabric Costs	£191,964	£849,277	£908,847	£2,205,836	£4,340,885	£8,496,808
Estimated Mechanical Costs	£194,650	£799,500	£610,600	£1,810,500	£3,481,650	£6,896,900
Estimated Electrical Costs	£418,750	£133,050	£283,100	£646,600	£1,442,740	£2,924,240
Sub total	£805,364	£1,781,827	£1,802,547	£4,662,936	£9,265,275	£18,317,948

- 4.35 Given the mixed range, age and quality of the current facilities these costs were considered to be fairly low compared to similar exercises undertaken in other local large authorities.

However, this still represents considerable investment required to maintain the basic fabric of the facilities.

4.36 Linked to this will be the need to build on work that is already in progress to decarbonise the leisure estate, to improve energy efficiency as a key operating cost and to support the Council's wider Net Zero ambitions.

4.37 The Leisure Investment Strategy (LIS) will build on the work already undertaken from the asset condition surveys and will consider further the condition of each site, future role and sustainability as a part of the new delivery model. Sites will be considered within the wider context of community based provision and facilities, school based facilities, privately operated facilities in the area and outdoor spaces.

4.38 The LIS will consider the following in relation to the Council's Leisure portfolio:-

- The optimal balance of investment to achieve the Council's vision for Sport and Active Wellbeing
- Examples of best practice and learning from other areas to help shape the Strategy.
- The geographic distribution of the proposed hub and spoke model and how strategic gaps will be addressed in the medium and long term?
- The phasing of any investment / divestment and how can this be funded?

4.39 The LIS will be undertaken in phases. Phase one will include:

- An assessment of each site in meeting community need now and in the future. This includes taking account of population growth, demographic changes, demand, existing supply
- Assessment of quality and sustainability and investment required to maintain quality services (based on condition survey data)
- Assessment of sites in scope that may not be meeting needs, or at the end of their operational life. Exploration of alternative options e.g. alternative uses, community asset transfer.
- Identification of current gaps in provision.
- Identification of approximately 5/6 sites that require additional investment in order to become Active Well Being hubs and/or areas where there are identified gaps in provision to support active well being.

4.40 Phase two will develop more detailed options in relation to the 5/6 identified sites from phase one including business and implementation plans.

4.41 Phase one is expected to take around 4 months and phase two 6-8 months.

5.0 CONSULTATION UNDERTAKEN AND RESPONSES

5.1 The review has been underpinned by wider engagement with communities and key stakeholders. This has included:

- Visioning workshops – Members and key partners (including Sport England and NY Sport)
- Survey (over 180 responses) and webinar (over 30 participants) targeted at community sports groups, promoted through press and social media.
- Focus groups – young/older people, economically disadvantaged, inclusive sports, elite sports, refugees – 50 participants
- Value for money workshops - Leisure managers/sports development staff
- Wider discussions with HAS, NHS organisations and the Health and Well Being Board

- Review of previous consultations including Lets Talk, Active Lives Survey, Growing up in North Yorkshire and the over 50's survey.

5.2 From the engagement there is a strong consensus around the greater focus on health and well being and this is strongly supported. Key messages emerging which are reflected in the new model included:

- Strong recognition of the important role of community sport and volunteers
- Challenges for rural residents who often struggled to get to leisure centres and clubs and some “felt forgotten”.
- Accessibility – cost and affordability, alongside access to transport were the most frequently identified barriers to access
- Support for digital innovation (but also recognition this is not for everyone)
- Community sports groups welcomed the opportunity to be more involved, to work as key partners and to share expertise and good practice.
- Facilities were highly valued – as a base for community clubs and for all abilities but the condition and opening hours were highlighted by some as areas for improvement
- The social aspect of physical activity was considered important as part of wider well-being and good mental health.
- Communication and awareness of what is available could be improved – this is particularly important for those who are not current users or may need additional support to participate.

5.3 Informal discussion have been held with UNISON about the findings of the Strategic Leisure Review. UNISON are supportive of the increased focus for the delivery model on health and well being and support the recommendation that outsourcing is not the preferred model. UNISON were supportive of a council controlled model but expressed a preference for an in house model overall.

6.0 CONTRIBUTION TO COUNCIL PRIORITIES

6.1 The Strategic Leisure Review is built on the principle that sport, physical activity and opportunities to move more should be accessible to everyone. The new service is an inclusive one which aims to inspire and enable everyone to be more active and address the barriers that prevent people from being as active as they would like. The recommendations from the Review contribute towards a number of Council priorities, specifically:

- **Place and Environment** – Specifically recognising the important of active travel, including walking and cycling. Good quality opportunities for physical activity, within leisure centres and also within green and open spaces is part of what makes North Yorkshire an environmentally sustainable and attractive place to live, work and visit. Leisure Centres are working to improve carbon reduction and energy efficiency and are committed to further improvements to support climate change targets and environmental sustainability. The Review recognises the important role of volunteers and supports a vibrant and strong voluntary and community sector.
- **Economy** – Good quality, accessible sporting facilities are important as part of the wider tourism offer and high profile mass sporting events support the visitor economy and economic growth.
- **Health and Well being** – the recommendations in the Review are central to improving physical and mental health at all life stages.
- **Locality** – the service is decentralised and is delivered through locally based facilities and teams, supporting the principles of locality working. The new approach to delivery is aligned to the principles of stronger communities, supporting and enabling

community based provision and will extend the delivery of more local services through approaches such as outreach.

7.0 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 The Strategic Leisure Review has considered a range of delivery options and looked at good practice from a range of other providers, alongside national guidance and strategic frameworks.
- 7.2 The Management model assessment considered a range of options as set out in section 4 above.

8.0 IMPACT ON OTHER SERVICES/ORGANISATIONS

- 8.1 The Strategic Leisure Review has been jointly led by Public Health, with input from key other services including Health and Adult Services and Active Travel.
- 8.2 The costs associated with physical inactivity are well documented, with physical inactivity associated with 1 in 6 deaths in the UK and costs of £7.4billion annually (£0.9billion to the nhs). The new delivery model will support delivery of key public health priorities and there is considerable scope for improving population health through increased participation and a focus on targeted programmes and reducing inactivity.
- 8.3 The opportunities for joint working, potential co-location of services and a focus on preventative health will have a positive overall impact on other organisations.
- 8.4 Strategic property input has been provided throughout the Review and this will continue. Planned maintenance, reactive repair, compliance and capital investment plans relating to assets that transfer to the in house service will be developed and ongoing input provided throughout the development of the Leisure Investment Strategy. The proposed four year phased transition will support work and resource planning for the Property Service to support service transformation.

9.0 FINANCIAL IMPLICATIONS

- 9.1 The financial impact on the Council related to the proposed management model is complex and nuanced. The management options assessment compared relative costs for an in house, outsourced or LATC model based on 22/23 operating costs of the leisure centres as shown in Appendix 1. This was used as a starting point to then undertake further analysis on the likely position for North Yorkshire, taking into account some of the limitations of the theoretical model given the atypical nature of North Yorkshire and the complex starting point.
- 9.2 In addition financial modelling has been undertaken to assess the financial impact on the Council of the preferred option of migrating the existing contracts into a single in house model over the next 4 years. This takes into account key variables relating to NDR costs, VAT treatment, staffing costs and external management fees. The modelling assumes that income and expenditure of sites remains broadly similar, although it would be expected that the service will drive additional efficiencies in the medium to longer term through economies of scale once the service is fully integrated.
- 9.3 However, during the transition period there will be some additional costs for the council arising from the consolidation into a single model. It is also recognised there will be some additional transition costs needed to support such a large transformation. During the transition phase the process of integration and economies of scale will commence, although

it is recognised this is unlikely to see large scale efficiencies until the service is fully integrated and operating in steady state.

	Fully In-house		
	0% Support Cost Absorbed £	50% Support Costs Absorbed £	100% Support Costs Absorbed £
Irrecoverable VAT	-348,889	-348,889	-348,889
Staffing	504,301	504,301	504,301
NNDR	525,682	525,682	525,682
Estimated Cashable Growth / (Efficiency)	681,093	681,093	681,093
External Central Support	0	-230,922	-461,843
Net position taking into account Central Support Costs	681,093	450,172	219,250

9.4 An initial assessment has been undertaken in relation to the potential impact on the Council's VAT partial exemption status, specifically whether any additional capital investment in leisure sites (to be identified as part of the Leisure Investment Strategy) would impact negatively on the Council's VAT position. The initial assessment suggests that the Council is well below the threshold for a potential breach of VAT partial exemption rules and this is unlikely to be an issue. However, this will be further considered as part of the next phase of the review. In addition the position for revenue activity to impact on the partial exemption is improved through the recent VAT ruling that classifies sports tuition as "non business", this removes further non exempt VAT activity and therefore the leisure service coming in house will have minimal impact on the partial exemption going forwards.

9.5 It is proposed that the Leisure Investment Strategy is undertaken in phases as above. This work will be procured in line with Council policy and procedures. Costs for both phases, including business/implementation plans for individual sites are estimated to be in the region of £100 - £135k for which budget provision has been identified within the original SLR allocation and service budgets.

10.0 LEGAL IMPLICATIONS

10.1 Legal Services input has been provided throughout the process of undertaking the Strategic Leisure Review.

10.2 The undertaking of the Leisure Investment Strategy will be procured in line with Council policy and procedures.

11.0 EQUALITIES IMPLICATIONS

11.1 An Equalities impact screening has been undertaken. The outcome of the Review overall should have a positive impact in terms of the new delivery model, which has a greater focus on health, well being, inclusion and targeted services.

11.2 Engagement with a range of groups has been undertaken to inform the review, including those with protected characteristics.

12.0 CLIMATE CHANGE IMPLICATIONS

- 12.1 A climate change screening has been completed. The proposal to review the leisure provision across North Yorkshire does not warrant a full CCIA to be undertaken at this stage. The review itself will have a negligible impact on climate change.
- 12.2 The leisure estate does have an impact on a number of the environmental factors above, namely: greenhouse gases, waste, water use, and pollution and the service is actively looking to mitigate these factors with low carbon plans and capital investment in solar panels and ASHPs.
- 12.3 The Leisure Investment Strategy will make recommendations relating to individual sites and consideration of climate change impacts and further assessments will be part of this stage.

13.0 PERFORMANCE IMPLICATIONS

- 13.1 The new service model aims to improve outcomes and efficiency, with increased participation, especially amongst groups that experience barriers to participation. As part of the integration of services a new suite of performance measures that demonstrate the impact of the service, and a consistent method of recording and reporting on these is being developed. In the short term, however, particularly as services transfer and given the scale of the change, there may be some short term dips in performance or service quality.

14.0 POLICY IMPLICATIONS

- 14.1 No direct implications. The review sets out a new delivery and operating model for the service and supports delivery of wider Council priorities.

15.0 RISK MANAGEMENT IMPLICATIONS

- 15.1 This is a large programme of transformation and there is a risk that performance and levels of service decrease in the short term. The phased approach and the identification of the wider support required aim to mitigate these risks.
- 15.2 The Leisure Investment Strategy is important to identify a programme of investment in leisure assets, which vary considerably in terms of their facilities and quality. The asset condition surveys undertaken identified in excess of £9m of works required in the next 10 years, and over £2.5million in the next 2 years. In addition there is a need to consider the wider issues of whether facilities are meeting anticipated needs and demand and supporting the delivery of the new service model for sport and active well being. Without investment there is a risk that facilities will deteriorate, with potentially unsustainable day to day maintenance costs and reducing income as facilities reduce in quality and attractiveness to customers.

16.0 HUMAN RESOURCES IMPLICATIONS

- 16.1 There will be a need for HR resources to support the transfer of staff and services in house, specifically to support TUPE transfer of staff.

17.0 ICT IMPLICATIONS

- 17.1 There will be a need for significant ICT resources during the transition phase to support the transfer of services in house and to ensure the effective integration of IT and specialist leisure management systems.

18.0 COMMUNITY SAFETY IMPLICATIONS

- 18.1 No direct implications, although leisure centres provide positive activities for people at all stages of life. Some sites are delivering specific programmes targeted at young people who may be engaged in anti-social behaviour or within the criminal justice system.

19.0 CONCLUSIONS

- 19.1 The Strategic Leisure Review provides an exciting opportunity to transform the delivery of “leisure Services”. It puts us at the forefront of a national movement to transform services with a renewed focus on physical and mental health and wider well being.
- 19.2 The new delivery model is bespoke for North Yorkshire, it aims to transform our leisure centres into sport and active well being hubs and promotes a strong integration between the physical facilities, sports development and place based delivery. The new approach will enable delivery of locally based services, with a mix of universal and targeted provision. There will be particular emphasis on the needs of groups who may face particular barriers to participation.
- 19.3 There are particular opportunities in greater partnership with NHS and social care organisations as a partner in prevention, recognising the value of increased physical activity in reducing demand and wider system pressure.
- 19.4 It is recommended that the management of the service is consolidated, over a phased period into a single in house model. The principle is that contracts will migrate in house at their natural end point, however, with some operational flexibility on the exact timing to take account of operational, capacity and other considerations that may arise in a programme of this scale. In line with this it is recommended that the Selby sites migrate from IHL in September 2024 to the in house service and not Brimhams as was previously agreed. This will reduce disruption, duplication of effort and the need to move the Selby sites twice in a relatively short space of time.
- 19.5 North Yorkshire currently has a complex mix of leisure providers. Whilst this adds complexity, the breadth of expertise, experience and good practice across the County is a real strength. Providers across the County are already delivering a range of universal and targeted services that are in line with the new delivery model, there is a strong focus on inclusion and tackling inequality and this forms a strong basis upon which we can build in the coming years.
- 19.6 The Brimhams model is particularly advanced in terms of its health and well being approach and workforce development and the intention is to scale up and adapt the approach more widely. Whilst there is a desire to streamline the current position into a single operating model, this is no reflection on the current provision or providers who deliver much valued and high quality services across the County.
- 19.7 The next phase of the Strategic Leisure Review is the undertaking of a Leisure Investment Strategy (LIS). This will build on the work already undertaken from the asset condition surveys and will consider further the condition of each site, future role and sustainability as a part of the new delivery model. This will be undertaken in phases and will include an assessment of the current sites, with recommendations for 5/6 sites that require additional investment in order to become Active Well Being hubs and/or areas where there are identified gaps in provision to support active well being. Phase two will develop more detailed options

in relation to the 5/6 identified sites from phase one including business and implementation plans. Funding for the LIS can be accommodated within existing budgets.

20.0 REASONS FOR RECOMMENDATIONS

20.1 To provide a clear way forward for the leisure service in North Yorkshire and to identify a clear model for service delivery and the future management of the service.

21.0 RECOMMENDATION(S)

i) That Members support the new delivery model for the sport and active well being service as set out in section 4 above.

ii) That Members support the phased transition over the next 4 years to a single in house management model for the service. As part of this that the Selby services transfer to the in house service from September 2024 when the current contract with IHL ends.

iii) That Members support the undertaking of a Leisure Investment Strategy as set out above.

Appendix One

Financial and Non Financial Assessment

BACKGROUND DOCUMENTS:

Strategic Leisure Review: Management Options Appraisal (confidential)

Strategic Leisure Review: Executive Summary Report (confidential)

Nic Harne, Corporate Director (Community Development)

County Hall, Northallerton

20/11/23

Report Author – Jo Ireland, Assistant Director (Culture, Leisure, Archives and Libraries)

Report presenter – Jo Ireland

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

PLEASE ALSO NOTE THAT IF ANY REPORTS / APPENDICES INCLUDE SIGNATURES THESE MUST BE REMOVED / DELETED PRIOR TO SENDING REPORTS / APPENDICES TO DEMOCRATIC SERVICES. Appendices should include an Equality Impact Assessment and a Climate Impact Assessment where appropriate

Appendix One

Income	Baseline 2022/23	In-house	LATC (Brimhams Active)	Procured Operator
Baseline income	£15,175,833	£15,175,833	£15,175,833	£15,175,833
Income adjustment	£0	-£289,192	£263,533	£430,020
Income savings on VAT	£0	£631,536	£767,437	£782,338
Total income	£15,175,833	£15,518,177	£16,206,803	£16,388,192
Expenditure				
Baseline expenditure	£6,442,157	£6,269,999	£6,286,650	£6,020,244
NNDR	£205,141	£850,230	£0	£0
Total staffing costs	£10,998,876	£11,503,176	£11,503,176	£10,384,085
Irrecoverable VAT	£417,021	£0	£740,143	£791,929
Operational expenditure	£18,063,194	£18,623,405	£18,529,969	£17,196,258
Management costs	£3,078,177	£2,327,727	£2,025,850	£1,311,055
Net surplus/deficit	-£5,965,538	-£5,432,954	-£4,349,017	-£2,119,121

Note on VAT treatment: Income savings on VAT relate to application of Chelmsford ruling (in-house) or VAT exemption on income (LATC and procured operator) where income has previously been taxable under an in-house operation. This is higher for LATC and procured operator due to the higher levels of income generation. For a LATC and procured operator, a corresponding irrecoverable VAT cost is included in expenditure (for VAT paid on expenditure which relates to exempt income). For in-house the income is treated as non-business so all VAT on expenditure is recoverable.

Non Financial Assessment

Criteria	In-House	LATC (Brimhams Active)	Procured Operator
The degree to which the management model allows the Council to retain strategic control of services.			
The degree to which the management model enables the Council to implement a leisure facilities investment strategy. To include decarbonisation towards Net Zero. This could involve investment and			

Criteria	In-House	LATC (Brimhams Active)	Procured Operator
de-commissioning / asset transfers of facilities			
The degree to which the management model will provide flexibility for NYC to undertake service transformation from leisure to sport and active wellbeing.			
The degree to which the management model will be best placed to work with stakeholders and system partners. To co-produce and provide more integrated and targeted active wellbeing services.			
The degree to which the management model will contribute to overall social value. This includes contributing towards improving local health outcomes, reducing the burden on the NHS, local employment and use of the local supply chain.			
The degree to which the management model will be able deliver targeted and evidence-based interventions in place. This may be unique to particular localities within the County or to particular target groups.			

This page is intentionally left blank

Initial equality impact assessment screening form This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.	
Directorate	Community Development
Service area	Culture, Leisure, Libraries and Archives
Proposal being screened	Strategic Leisure Review - Shaping the future of Leisure Services in the new North Yorkshire Council
Officer(s) carrying out screening	Jo Ireland – Assistant Director
What are you proposing to do?	Following the undertaking of a Strategic Leisure Review – we are recommending a new delivery and management model options for leisure services.
Why are you proposing this? What are the desired outcomes?	<p>The strategic leisure review has been undertaken following the bringing together of 7 different services following LGR. The desired outcomes of the review are to:</p> <ul style="list-style-type: none"> • identify a new, effective and efficient integrated delivery model for sport and leisure services across the county • identify how leisure services can deliver better value for money • undertake an options appraisal and recommendations relating to management options for the delivery of leisure services across the County (including in-house, outsourced, trust, Teckal and hybrid management options) • undertake a comprehensive audit of the condition of the current built facilities and a high-level assessment of future costs and liabilities • identify workforce options <p>Engagement has been undertaken with a wide range of groups, this includes groups who may experience more difficulties in accessing services. This included:</p> <ul style="list-style-type: none"> • Sports clubs and community well-being organisations • Wider public • Individuals and/or groups from lower socio economic areas • Young people • Older people • Refugees • Young carers
Does the proposal involve a significant commitment or removal of resources? Please give details.	<p>The proposals will change the delivery of leisure services, with a stronger focus on health and well being and participation.</p> <p>There is no removal of resources.</p> <p>The focus on improving participation, addressing barriers and delivery of more inclusive services should have a positive effect on groups with protected characteristics.</p>

<p>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristics</p> <p>As part of this assessment, please consider the following questions:</p> <ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.</p>			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	
Marriage or civil partnership		X	
People in rural areas		X	
People on a low income		X	
Carer (unpaid family or friend)		X	
<p>Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.</p>	<p>The strategic review relates to the leisure service provision in North Yorkshire, where there are known inequalities with relation to rurality and access. The review takes into account key issues such as health inequalities, inclusion, health, and impacts on protected characteristics. The overall impact of the new delivery model should be a positive one.</p>		
<p>Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.</p>	<p>There are no negative impacts on how other organisations operate.</p> <p>The review aims to promote greater inclusion with sport and active well being.</p>		
<p>Decision (Please tick one option)</p>	<p>EIA not relevant or proportionate:</p>	<p>✓</p>	<p>Continue to full EIA:</p>
<p>Reason for decision</p>	<p>The review overall should have a positive impact in terms of the new delivery model, which has a greater focus on health, well being, inclusion and targeted services.</p> <p>Engagement with a range of groups has been undertaken to inform the review, including those with protected characteristics.</p>		

Signed (Assistant Director or equivalent)	
Date	03/11/2023

This page is intentionally left blank

Initial Climate Change Impact Assessment (Form created August 2021)

The intention of this document is to help the council to gain an initial understanding of the impact of a project or decision on the environment. This document should be completed in consultation with the supporting guidance. Dependent on this initial assessment you may need to go on to complete a full Climate Change Impact Assessment. The final document will be published as part of the decision-making process.

If you have any additional queries, which are not covered by the guidance please email climatechange@northyorks.gov.uk

Title of proposal	Strategic Leisure Review - Shaping the future of Leisure Services in the new North Yorkshire Council
Brief description of proposal	<p>As part of the work to bring 8 councils together to create the new North Yorkshire Council which came into effect 1st April 2023, lead officers for leisure and sport have been working in conjunction with SLC (External consultants) to pull together a report with recommendations for the future delivery and management model options for leisure and well-being services.</p> <p>The reason for the strategic leisure review is to gain a full understanding of the range of leisure services available to the residents of North Yorkshire. The desired outcomes of the review are to:</p> <ul style="list-style-type: none"> • identify a new, effective and efficient integrated delivery model for sport and leisure services across the county by 2027 • identify how leisure services can deliver better value for money • undertake an options appraisal and recommendations relating to management options for the delivery of leisure services across the County (including in-house, outsourced, trust, Teckal and hybrid management options) • undertake a comprehensive audit of the condition of the current built facilities and a high-level assessment of future costs and liabilities • identify workforce options and potential structures • Provide recommendations for a system wide approach to developing more “active” places (linked with physical activity strategy) • Ensure that the wider leisure agenda is effectively communicated to NY internal stakeholders and integrated with other appropriate Council/partnership strategies
Directorate	Community Development
Service area	Culture, Leisure, Libraries and Archives

Lead officer	Jo Ireland
Names and roles of other people involved in carrying out the impact assessment	Nicola Young – Project Manager Kieran Jones - Senior Project manager

The chart below contains the main environmental factors to consider in your initial assessment – choose the appropriate option from the drop-down list for each one.

Remember to think about the following;

- Travel
- Construction
- Data storage
- Use of buildings
- Change of land use
- Opportunities for recycling and reuse

Environmental factor to consider	For the council	For the county	Overall
Greenhouse gas emissions	No effect on emissions	No Effect on emissions	No effect on emissions
Waste	No effect on waste	No effect on waste	No effect on waste
Water use	No effect on water usage	No effect on water usage	No effect on water usage
Pollution (air, land, water, noise, light)	No effect on pollution	No effect on pollution	No effect on pollution
Resilience to adverse weather/climate events (flooding, drought etc)	No effect on resilience	No effect on resilience	No effect on resilience
Ecological effects (biodiversity, loss of habitat etc)	No effect on ecology	No effect on ecology	No effect on ecology
Heritage and landscape	No effect on heritage and landscape	No effect on heritage and landscape	No effect on heritage and landscape

If any of these factors are likely to result in a negative or positive environmental impact then a full climate change impact assessment will be required. It is important that we capture information about both positive and negative impacts to aid the council in calculating its carbon footprint and environmental impact.

Decision (Please tick one option)	Full CCIA not relevant or proportionate:	X	Continue to full CCIA:	
Reason for decision	<p>The proposal to review the leisure provision across North Yorkshire does not warrant a full CCIA to be undertaken at this stage. The review itself will have a negligible impact on climate change.</p> <p>The leisure estate does have an impact on a number of the environmental factors above, namely: greenhouse gases, waste, water use, and pollution and the service is actively looking to mitigate these factors with low carbon plans and capital investment in solar panels and ASHPs.</p> <p>The Leisure Investment Strategy will make recommendations relating to individual sites and consideration of climate change impacts will be part of this stage.</p>			
Signed (Assistant Director or equivalent)				

	<i>ofelencia</i>
Date	03/11/23

This page is intentionally left blank

North Yorkshire Council

Transition (LGR) Overview and Scrutiny Committee

4 December 2023

Mayoral Combined Authority Governance

Report of the Assistant Chief Executive Legal & Democratic Services

1.0 PURPOSE OF REPORT

- 1.1 To provide the Transition (LGR) Overview and Scrutiny Committee with an update on the progress of creating the Mayoral Combined Authority and governance issues.

2.0 BACKGROUND

2.1 On 1 August 2022 the Secretary of State for Levelling Up, Housing and Communities announced that the Government was minded to enter into a Devolution Deal with York and North Yorkshire under which the region would benefit from £540 million of new Government investment to spend on local priorities to produce growth, together with a range of devolved powers. This Devolution Deal is dependent upon the York and North Yorkshire Authorities establishing a Combined Authority for the area with an elected Mayor. The full detail of the Deal can be found here: <https://www.gov.uk/government/publications/york-and-north-yorkshire-devolution-deal/york-and-north-yorkshire-devolution-deal#summary-of-the-devolution-deal-between-the-government-and-the-local-authorities-of-york-and-north-yorkshire-comprising-city-of-york-council-and-north-yorkshire-council>

2.2 The Deal proposes the following benefits for the region:

- £18 million per year in Investment Fund/gainshare funding over 30 years to invest in local priorities (35% capital and 65% revenue). This will be subject to a five yearly gateway review assessment;
- Subject to a full business case, investment of up to £50 million to support and deliver the York Central brownfield regeneration scheme which would generate additional GVA and associated benefits for the whole York and North Yorkshire region;
- £7 million investment to enable York and North Yorkshire to drive green economic growth towards the ambition to become a carbon negative region;
- Investment of up to £2.65 million of projects to deliver affordable, low carbon homes;
- £13 million for the building of new homes on brownfield land across 2023/24 and 2024/25;
- A commitment to establish a working group to support the development of BioYorkshire;
- New powers from Government to drive regeneration and build more affordable homes;
- New transport powers to improve and integrate the regional transport network.

2.3 The Secretary of State stated:

“The York and North Yorkshire deal will unlock significant long-term funding and give local leaders greater freedom to decide how best to meet local needs and create new opportunities for the people who live and work there. The government recognises that devolution is a

journey, not a one-off event. This agreement is the first step in a process of further devolution. As institutions mature, they can gain greater responsibility, and York and North Yorkshire will be able to deepen their devolution arrangements over time, subject to government agreement. The government will continue to work with York and North Yorkshire on important areas of public service reform and infrastructure investment, to support inclusive economic growth in towns, cities and rural areas whilst tackling the climate emergency, on our journey to 2030.

As a mayoral combined authority, York and North Yorkshire will have an important role and voice across the Northern Powerhouse and will be a key partner of central government to drive regional growth and productivity, joining the existing mayoral combined authorities and engaging with the government as a mayoral combined authority from the date of this deal”

- 2.4 In September and October 2022, the two Councils agreed to publish a Scheme to describe the governance of a new Combined Authority and to consult upon the Scheme. A copy of the Scheme can be found at : [wtd4vzdl2sf8zsdaju0c.pdf \(cloudinary.com\)](#) The consultation was held for 8 weeks from October to December. Both Councils considered the responses to the consultation and agreed to submit the Scheme for Devolution and a summary of responses to Government to allow the Secretary of State to consider putting in place the legislation needed to enable the creation of the Combined Authority.
- 2.5 Following the Executive approval on 14 February 2023 and the subsequent full Council decision on 22 February 2023, North Yorkshire Council agreed to implement the proposed Devolution Deal for the region. Council agreed to “*The delegation of authority to the Chief Executive, in consultation with the Leader of the Council, to undertake any action necessary to provide consent to the Order facilitating the creation of the Combined Authority in line with the scheme submitted to Government*”.
- 2.6 Subsequently Civil Servants from the Department of Levelling Up, Housing and Communities have been working with officers from the two Councils to draft the relevant regulations which will implement the Devolution Deal. On 2 November 2023 the Department provided a copy of the final draft of the York and North Yorkshire Combined Authority Order 2023 to both Councils asking for consent from the constituent authorities to the making of the Order. Both Councils provided the requested consent on 3 November 2023. A copy of the decision record can be found at: [Decision - Granting consent for the York and North Yorkshire Combined Authority Order 2023 | North Yorkshire Council](#)

WORKING ASSUMPTION ON FUTURE TIMETABLE

- 2.7 The Order was laid before Parliament on 7 November 2023 and advice from DLUHC is that, subject to the debate timetable, the working assumption is that the Order is due to be made during the week commencing 8th January 2024. A copy of the draft Order can be found at: <https://www.legislation.gov.uk/ukdsi/2023/9780348253252/contents>
- 2.8 Once the Order is signed, the Combined Authority is legally created. It is therefore proposed that an agenda for the inaugural meeting of the new Combined Authority is published immediately the Order is made and the meeting will take place once the statutory publication period has expired. Certain funding will then become available to the Combined Authority at that stage, prior to the Mayor being appointed (namely Mayoral Capacity Funding, a proportion of the annual gainshare/Investment Fund, and, subject to the conditions being met, funding for the York and North Yorkshire Brownfield Housing Fund and Net Zero Funds). The Combined Authority will therefore operate with one of the constituent members chairing the meetings. It is then proposed for the Mayoral elections to take place on the 2nd May 2024 and additional funding and powers will be received once the Mayor is in place, who will then chair the meetings of the Combined Authority.

3.0 GOVERNANCE ISSUES

3.1 A draft constitution is being worked upon by officers and a draft is due to be considered by the Joint Devolution Committee on the 15th December 2023. A copy of the draft constitution will be circulated to members of the Transition (LGR) Overview and Scrutiny Committee as soon as it is available. However it is important for the Scrutiny Committee to consider the proposed governance arrangements of how the new Mayoral Combined Authority will operate and for its views to be taken into account in any future drafting of the Constitution and governance arrangements. The Devolution Deal proposed the following governance arrangements for the Combined Authority and this is being included within the proposed future Constitution of the Combined Authority:

Membership

3.2 The Order proposes to implement the Scheme to provide that the Membership of the Combined Authority will be:

- (a) The Mayor (who will Chair the Authority) (voting Member).
- (b) Two Members from each of the Constituent Authority (voting members).
- (c) The Constituent Authorities will nominate one of these Members as a “Lead Member” who gets special voting rights in certain circumstances.
- (d) Each Authority will nominate four substitute members.
- (e) The Secretary of State stated that one member would be appointed by the York and North Yorkshire LEP which would be non-voting, unless the Combined Authority resolved to give them a vote on any issues. The LEP Board would then become the Business Committee of the Combined Authority subject to the LEP integration process.

Voting

3.3 The Mayor and Combined Authority are the primary decision makers. The Statutory Order creating the Combined Authority specifies that certain decisions must be taken by the Elected Mayor and that some decision rest with the Combined Authority. The Constitution will reflect these legal requirements. In addition, Schedule 1 to the Order sets out specific voting and consent requirements which must also be reflected in the Constitution. Attached at Appendix A is a table which summarises the main parts of the Order and how decisions will be made.

3.4 The Mayor will provide overall leadership and chair Combined Authority meetings. The Combined Authority’s remit is the strategic economic development, housing, carbon reduction, skills, transport infrastructure and strategic and operational transport functions. The Mayor can choose to delegate certain functions to members of the Combined Authority. The Mayoral Combined Authority can therefore appoint portfolio leads from its membership.

3.5 As shown in Appendix A, the Mayor can exercise certain of their functions autonomously as these have been devolved directly from Central Government to that post, namely:

- Functional power of competence.
- Housing and planning:
 - Power to designate a Mayoral Development Area and then set up a Mayoral Development Corporation (see consent requirements in Appendix A).
 - Housing and land acquisition powers (see consent requirements in Appendix A) to support housing, regeneration, infrastructure and community development and wellbeing.
- Finance:

- Power for the mayor to set a precept on council tax to fund mayoral functions (resulting from the setting of the mayoral budget subject to the potential veto provisions set out in Appendix A).
- Power to charge business rate supplement (subject to ballot).
- Transport:
 - Power to draw up a local transport plan and strategies (the combined authority will be able to amend the mayor's transport strategy if 3 out of 4 constituent council members agree to do so).
 - Bus franchising powers.
 - The Mayor will be responsible for a devolved and consolidated integrated local transport budget, consisting initially of the local highways maintenance funding and integrated transport block.
- Police, Fire and Crime Commissioner functions.

3.6 Subject to the above, the Combined Authority will be responsible for any function of the Combined Authority which is not the responsibility of the Mayor. Proposed decisions can be put forward by the Mayor or any Combined Authority member. Generally the Mayor will have one vote as will other voting members. Examples of Combined Authority functions (which are non-Mayoral functions) are:

- Local Transport Authority functions.
- Transport-related powers to set up and co-ordinate a Key Route Network on behalf of the Mayor (operational responsibility for Key Route Network roads will remain with the constituent councils subject to local agreement or national legislation).
- To operate a permit scheme on the Key Route Network.
- Housing and land functions.
- Economic development – duty to prepare assessment of economic conditions etc.

3.7 Any matters that are to be determined by the Combined Authority are to be determined by a simple majority and that majority must include the vote of the Mayor, except as identified in Appendix A. When approving the Combined Authority's budget (but not the Mayor's budget) and setting a levy, the lead member from each constituent council must be in the majority vote.

3.8 The Mayor will be required to consult the Combined Authority on their strategies and the Combined Authority will be able to amend the Mayor's budget and the Mayor's transport strategy if three out of the four members agree to do so.

Overview and Scrutiny Committee(s)

3.9 The Deal provides that the Mayor and the Combined Authority will be scrutinised and held to account by the Combined Authority's Overview and Scrutiny Committee(s). The Membership of each such Committee will be:

- (a) Six Members nominated from each constituent Council for each committee, reflecting the political balance of the constituent authorities (therefore 12 members in total),
- (b) The Chair and Vice-Chair will be appointed by the Combined Authority, following a proposal by the Overview and Scrutiny Committee,
- (c) The Chair and Vice-Chair shall not be a member of a registered political party of which the mayor is also a member.

3.10 Government have recently issued non-statutory guidance on a Scrutiny Protocol for Combined Authorities which can be found at: [Scrutiny Protocol - GOV.UK \(www.gov.uk\)](http://www.gov.uk). This recognises that "*Effective scrutiny is critical for ensuring there is appropriate*

accountability for the decisions made by local decision makers. When done well, local scrutiny should drive understanding, enhance the performance of services and improve the outcomes for those people affected by those decisions.”

- 3.11 Scrutiny for a Combined Authority can be through a single Overview and Scrutiny Committee or through multiple committees. This guidance recommends that “a single committee model” for Scrutiny should be considered for Combined Authorities so that Scrutiny Committee members can develop a strategic overview across all portfolio areas and an understanding of the interconnection of key policies to effectively scrutinise cross cutting issues. In addition the guidance provides that authorities with devolution deals should look to incorporate the scrutiny of any new activity arising from the devolution deal into their existing scrutiny arrangements. The Guidance sets out 18 Key Principles for Good Scrutiny within a Combined Authority that the new authority may wish to consider:
1. Pool of Members – all members and substitutes should have access to the same resources
 2. Politically balanced membership
 3. Geographically balanced membership
 4. Chair to be seen as an independent voice
 5. Sustained appointments made on interest and skills
 6. Well resourced training
 7. Inviting Technical expertise where appropriate
 8. Remuneration and Status – through the use of an Independent Remuneration Panel
 9. Holding the Mayor and the Combined Authority to account
 10. Participation in pre-policy and pre-decision scrutiny – with a forward plan of key decisions
 11. Provision to ‘call in’ decisions
 12. Regular Performance monitoring
 13. Robust Work Planning
 14. Focused Task and Finish Exercises
 15. Strong Relationships with Stakeholder
 16. Regular Self-evaluation and reflection
 17. Access to Data, research and analysis for committees to improve their knowledge
 18. Strong relationship with Audit Committees.
- 3.12 The non-statutory guidance also recommends having additional scrutiny through the implementation of a question time process where the mayor takes questions from the public and for it to be chaired by an independent person.
- 3.13 It is therefore proposed to be recommended to the Combined Authority to create a single Overview and Scrutiny Committee, in line with the above guidance. The scrutiny of the Mayoral budget (and any Mayoral precept) will fall within the remit of the Overview and Scrutiny Committee.

Audit & Governance Committee

- 3.14 The Constitution will include the creation of an Audit & Governance Committee (which will have responsibility for the Standards function). The Audit & Governance Committee will focus on the audit, assurance and reporting framework underpinning the financial management and governance arrangements and it will also undertake the functions of the Standards Committee dealing with member conduct and ethical standards. The Audit & Governance Committee shall be appointed by the Combined Authority and the Scheme provided that the membership would be not less than eight members. It stated that there would be four members from each constituent council and at least one independent person appointed by the Combined Authority. The role of this Committee will be:

- reviewing and scrutinising the Combined Authority's financial affairs;
- reviewing and assessing the Combined Authority's risk management, internal control and corporate governance arrangements;
- reviewing and assessing the economy, efficiency and effectiveness with which resources have been used in discharging the Combined Authority's functions; and
- making reports and recommendations to the Combined Authority in relation to reviews the Committee has conducted.

3.15 The Audit & Governance Committee can include co-opted members but they would be non-voting members of the Audit & Governance Committee.

3.16 The governance arrangements for Policing, Fire and Rescue will need to be in place by May 2024 when those functions will be transferred upon the election of the Mayor and therefore there is potentially more time to resolve the governance structures for that part of the Combined Authority functions. However the Scheme did propose that there would initially be a separate Joint Independent Audit Committee for Policing and a separate Independent Audit Committee for Fire and Rescue.

3.17 It is proposed that the Committees referred to above shall in practice be the Committees already established by the PFCC and the Chief Constable of North Yorkshire Police (in respect of the Joint Independent Audit Committee for Policing) and the PFCCFRA (in respect of the Independent Audit Committee for Fire and Rescue) and that those Committees in place for the time being shall be adopted by the Combined Authority; and that the terms of reference of those Committees shall be amended so as to provide for their remit to extend to PCC Functions and FRA Functions, respectively, exercisable by the Mayor. It is then proposed that these arrangements can be reviewed during the initial term of the Mayor by the Combined Authority.

Business Committee

3.18 The Scheme provides that the York and North Yorkshire Local Enterprise Partnership Board will transition into the Business Committee of the Combined Authority which will be an advisory committee of the Combined Authority for the purposes of relevant economic decisions. The LEP member will become a non-voting member of the Combined Authority (unless the Combined Authority resolves to give them a vote). Considerable amount of work has been done in preparing the integration of the LEP into the Combined Authority.

Transport Committee

3.19 The Combined Authority is the Local Transport Authority for York and North Yorkshire. Given the remit of the Combined Authority consideration needs to be given as to whether there to establish a separate Transport Committee under the Combined Authority.

3.20 It is possible keep such functions within the main Combined Authority meeting or to create a number of thematic boards which can deal with specific areas such as transport, climate, energy and environment etc. As the Scheme was silent on the governance structure of considering transport matters through a committee, the Combined Authority has flexibility in determining on what would work best for York and North Yorkshire and the ability to review the operation of any proposals.

Remuneration

- 3.21 The Combined Authority may establish an Independent Remuneration Panel to recommend allowances payable to the Mayor and others as appropriate. Following a recommendation by the Panel an allowance may be paid to:
- (a) the Mayor;
 - (b) the Deputy Mayor (provided that they are not a Leader of a constituent council);
 - (c) the Deputy Mayor for Policing and Crime (provided that they are not a Leader of a constituent council);
 - (d) Independent Persons.
- 3.22 A constituent council, following a recommendation of its own Independent Remuneration Panel, may make a special responsibility allowance to a member of the Combined Authority.

The First Meeting of the Combined Authority

- 3.23 At the inaugural meeting of the Combined Authority, it will need to approve the Governance Arrangements to put in place the framework which will set out how the Combined Authority is to operate, how decisions are to be made and the procedures to be followed to ensure that decisions are transparent. At this meeting it is envisaged the Combined Authority will be asked to approve the Constitution, appoint External Auditors, appoint to the Combined Authority Committees and approve the Budget.

4.0 PFCC FUNCTIONS

- 4.1 The Mayor will exercise the PFCC functions for York and North Yorkshire once elected. Any PFCC function is to be taken to a function of the Combined Authority exercisable by the Mayor acting individually, or as delegated in accordance with the Scheme. The Office of the Police, Fire and Crime Commissioner are currently working diligently to ensure these functions are transferred to the Combined Authority in an appropriate manner.
- 4.2 The Mayor may appoint a Deputy Mayor for Policing and Crime and delegation of certain Fire and Rescue Authority functions.
- 4.3 The scrutiny of discharge of the PFCC functions will continue to be performed by the Police, Fire and Crime Panel. The Panel will scrutinise the actions and decisions of the Mayor and the Deputy Mayor for Policing and Crime and assist in supporting them in the effective exercise of PFCC functions and to enable them to be scrutinised in public. There will be some consequential changes in the operation of the Panel to reflect their role in scrutinising the Mayor and Deputy Mayor for Policing and Crime and opposed to the Police, Fire and Crime Commissioner.

5.0 STATUTORY OFFICERS

- 5.1 The Mayor and the Combined Authority will appoint four Statutory Officers to discharge duties and obligations on behalf of the Combined Authority. The Statutory Officers ensure that the Combined is acting in accordance with its legal duties and responsibilities, operating with the financial regulations and receiving appropriate advice on policy and governance. Until the Mayor is elected in May 2024 these roles may be undertaken on an interim basis by officers appointed by the Constituent Authorities or the Combined Authority and this will be kept under review as it may be necessary to permanently appoint certain roles earlier. The four statutory officers are:

- 5.2 Head of Paid Service – It is proposed that the Chief Executive fulfils the role of Head of Paid Service who discharges the functions in relation to the Combined Authority as set out in section 4 of the Local Government and Housing Act 1989.
- 5.3 Section 73 Officer – Fulfils the role of Section 73 Officer in accordance with the Local Government Act 1985. The Section 73 Officer administers the financial affairs of the Combined Authority. The Section 73 Officer is equivalent to a Section 151 Officer.
- 5.4 Monitoring Officer – The Monitoring Officer discharges the functions in relation to the Combined Authority as set out in section 5 of the Local Government and Housing Act 1989.
- 5.5 Scrutiny Officer – The Scrutiny Officer provides independent and impartial advice to scrutiny members in relation to their role, constitutional and governance issues.

6.0 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 The report contains the proposals for the setting up of the Combined Authority which is legal requirement. There are a number of ways of creating committees and thematic boards that sit under the Combined Authority to assist the discharge of the Combined Authority functions. It is proposed to create a “safe and legal” approach in creating a governance structure for day 1 of the Combined Authority and then to review the initial structure on a periodic basis; in a similar approach as that taken in creating the governance structure for North Yorkshire Council after Local Government Reorganisation.

7.0 FINANCIAL IMPLICATIONS

- 7.1 The financial implications of creating the Combined Authority and the additional funding that the Devolution Deal provides has been considered in previous reports to the Executive and full Council. This report looks at the proposed governance structure for the operation of the Combined Authority and notes that allowances can be paid to members following a report from the Independent Remuneration Panel.

8.0 LEGAL IMPLICATIONS

- 8.1 The legal implications of the proposed Constitution are contained in the body of this report.

9.0 EQUALITIES IMPLICATIONS

- 9.1 None

10.0 CLIMATE CHANGE IMPLICATIONS

- 10.1 The climate change implications of creating the Combined Authority and obtaining additional funding and powers under the Devolution Deal have been considered in previous reports to the Executive and full Council. This report looks purely at the governance arrangements of the Combined Authority.

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 To ensure there is appropriate member oversight with regard to the governance issues in the creation of the Combined Authority.

12.0 RECOMMENDATION

That the Overview and Scrutiny Committee consider the contents of the report, notes the proposals in relation to the proposed governance of the Combined Authority and make recommendations on any comments they have on the proposal.

APPENDICES:

Appendix A – Decision Making of the Mayoral Combined Authority

BACKGROUND DOCUMENTS:

York and North Yorkshire Combined Authority Scheme: [wtd4vzdl2sf8zsdaju0c.pdf \(cloudinary.com\)](#)

Executive Report – 6 September – Agree the Devolution Deal and commence consultation
[Agenda for Executive on Tuesday, 6th September, 2022, 11.00 am | North Yorkshire Council](#)

Executive Report – 14 February 2023 – York and North Yorkshire – Outcome of Consultation
[Agenda for Executive on Tuesday, 14th February, 2023, 11.00 am | North Yorkshire Council](#)

Executive Report to Council – 22 February 2023 - York and North Yorkshire Devolution – Outcome of Consultation
[Executive Report to Council.pdf](#)

Barry Khan Assistant Chief Executive Legal and Democratic Services
County Hall
Northallerton

Report Author – Suzan Harrington and Barry Khan
Presenter of Report – Suzan Harrington

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

This page is intentionally left blank

DECISION-MAKING OF THE MAYORAL COMBINED AUTHORITY AS SET OUT IN THE DRAFT ORDER

Decision	Decision Taker	Comments
Each constituent council must appoint two of its members to the Combined Authority and one of these members shall be designated as the Lead Member.	Each constituent council.	Each constituent council must appoint two elected members for each member (ie four members in total). Once the Mayor is elected, the Mayor will chair the Combined Authority.
General Voting.	Mayoral Combined Authority	Subject to exceptions, all decisions to be made by a simple majority of the members present. The Mayor to be in the majority (ie the Mayor has a veto to decisions). Once elected, the quorum will be the Mayor and at least one member from each constituent council.
Special Voting: Voting which requires the Lead Member from each council to be in favour: (a) Approval or amendment of the Combined Authority's budget (excluding the Mayor's budget). (b) Issuing the Transport Levy. (c) Approval or amendment of the Constitution or Standing Orders.	Mayoral Combined Authority	The Lead Member from North Yorkshire Council and the City of York Council must vote in favour of the proposal in order for it to be passed.
Special Voting: Voting which requires the Lead Member for the relevant constituent council to vote in favour: (a) Functions in relation to compulsory purchase of land under Section 17 of the Housing Act 1985, Section	Mayoral Combined Authority	The Lead Member for the constituent council whose area contains any part of the land subject to the proposed compulsory acquisition must vote in favour of the proposal in order for it to be passed.

Decision	Decision Taker	Comments
9(2) of the Housing and Regeneration Act 2008 and Section 226 of the Town and Country Planning Act 1990.		
<p>Special Voting:</p> <p>Decisions which require consent of the Lead Member of the constituent council:</p> <p>(a) Any decision of the Mayor which gives rise to a financial liability for the constituent council.</p>	Lead Member to give consent of a Mayoral decision	Any decision of the Combined Authority which is made by a simple majority or otherwise, will require the consent of the Lead Member of the relevant constituent council if it gives rise to a financial liability to that council.
<p>Special Voting:</p> <p>Decisions regarding designation of Mayoral development areas under Section 197 and functions in relation to town and country planning under Section 202 of the Localism Act 2011.</p>	Mayor but subject to consent of the relevant Lead Member and the relevant National Park Authority	The Mayor can only exercise such functions with the consent of the Lead Member from the constituent council and any relevant National Park Authority.
Appointment of Mayor's Political Adviser	Mayor	
<p>Mayoral functions (under Part 7) namely:</p> <p>(a) Section 17(3) Housing Act 1985;</p> <p>(b) Section 108 and 109 (Local Transport Plans) Transport Act 2000;</p> <p>(c) Section 112 (Supplementary Plans and Strategies) Transport Act 2000;</p> <p>(d) Section 154(1) (Grants to Bus Service Operators) Transport Act 2000;</p> <p>(e) Section 31 (Power to pay Grants) Local Government Act 2003;</p> <p>(f) Section 9(2) Housing and Regeneration Act 2008;</p>	Mayor	Any decision of the Combined Authority to amend the Mayor's Transport Plan requires at least three of the members to vote in favour of the amendment.

Decision	Decision Taker	Comments
<p>(g) Functions relating to the Business Rates Supplements Act 2009;</p> <p>(h) Sections 197, 199, 200, 202, 204, 214 to 217 and 219 to 221, Schedule 21 Localism Act 2011.</p>		
<p>Funding: Mayor's budget</p>	<p>Mayor</p>	<p>Under Combined Authorities (Finance) Order 2017 three quarters majority of the members of the Combined Authority may veto the Mayor's draft budget.</p> <p>The 2017 Order provides that the Mayor must notify the Combined Authority of his/her draft budget before 1st February.</p>
<p>Funding: The constituent councils must ensure that the reasonable costs of the Combined Authority are met.</p>	<p>The Mayor must agree with the Combined Authority the total expenditure before spending that amount.</p> <p>The cost to be shared by agreement between the constituent councils or in line with the total resident population.</p> <p>The costs relating to transport must be met by means of a levy to the constituent councils.</p>	
<p>Funding: Costs reasonably incurred by the Mayor in the exercise of Mayoral functions, where the Mayor has not decided to meet these costs from other resources are to be payable by the constituent councils.</p>	<p>The Mayor must agree with the Combined Authority the total expenditure before spending that amount.</p>	
<p>Police and Crime Commissioner functions.</p>	<p>Mayor</p>	<p>The Mayor can make certain delegations to the Deputy Mayor for Policing and Crime (under Section 18 of the Police Reform</p>

Decision	Decision Taker	Comments
		and Social Responsibility Act 2011).
Fire and Rescue functions.	Mayor	The Mayor can make arrangements for certain functions to be delegated to the Deputy Mayor for Policing and Crime, or a Fire Committee of the Combined Authority.

Transition (LGR) Overview and Scrutiny Committee

Page 55

Delivering Restructures

4th December 2023

Agenda Item 9

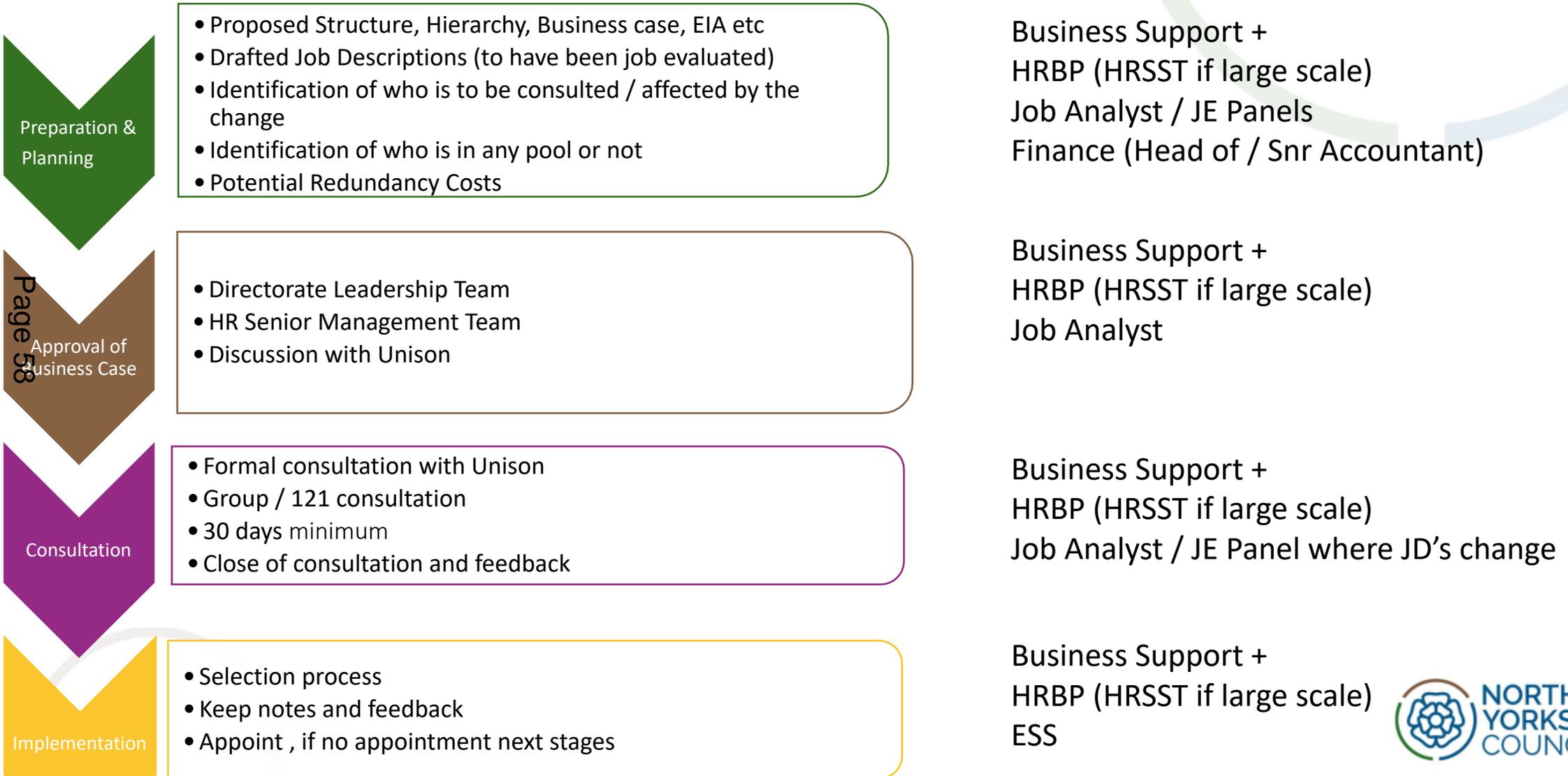
Progress To Date

- Heads of Service – almost complete
- Next Stages of restructures are in progress, overall aim to minimise disruption to staff by making the process as simple as possible i.e. ‘slotting’ people in
At Pace
- Trade Unions continue to be involved at all stages and form part of consultation process
- Continuous engagement and support for staff to help manage change
 - Consultation
 - Redeployment Support including interview practice and application process awareness

Head of Service No's

Heads of Service			
Area	Posts	Appointed	To be appointed
Localities	4	4	0
Legal & Democratic	6	6	0
HR & Business Support	10	10	0
Finance	13	13	0
Customer Revs & Bens	5	5	0
Technology	5	5	0
Property, Procurement & Commercial	6	2	4
Waste Environmental Services & Climate change	3	3	0
Highways, Parking & Parks	5	5	0
Integrated passenger Transport, Licensing, Public Rights of way & harbours	5	5	0
Regulatory Services	6	6	0
Planning	4	4	0
Economic Development, Regeneration, Tourism and Skills	4	4	0
Housing	5	5	0
Culture Arts & Leisure	5	4	1
CYPS	15	15	0
HAS	20	20	0

Restructure Process



Redeployment:

- For those who have been issued with risk of redundancy notification
- Manager is the case manager, additional support through Resourcing Solutions which includes:
 - Independent and dedicated support for the individual (i.e. not involved in restructure)
 - Aim to maximise positive outcome and minimise redundancies. Track record – supported over 5,000 individuals 96% positive outcome.
 - Programme of support dependent on situation and numbers:
 - Online Self-Help: [Jobs, vacancies and careers \(sharepoint.com\)](#) and [Supporting staff resource \(sharepoint.com\)](#)
 - Workshops/Webinars/Events/1 to 1 Surgeries
 - Getting Started, Moving Forward
 - Navigating Jobs Market
 - Successful Applications
 - Acing Interviews and Assessments
 - Alternative options: retirement, volunteering, self-employed, fostering/adoption, portfolio careers
 - Optional Bespoke sessions specific to circumstance
 - Outplacement

This page is intentionally left blank

Transition (LGR) Overview and Scrutiny Committee Work Programme 2023/24

Meeting dates

- Scheduled future Committee Meetings: Monday 11th March 2024 (10am)
- Proposed future Mid Cycle Briefings: Tuesday 30 January 2024 (10am), Tuesday 23 April 2024 (10am)

Monday 4 December 2023 at 2pm

Subject	Description
Verbal Update from Director of Transformation	Standing item to hear from Robert Ling on LGR issues to bring to the attention of the committee
Strategic Leisure Review	To present the draft report on the review of the provision of sport and leisure facilities across North Yorkshire – Jo Ireland, Assistant Director Culture, Arts and Leisure (Community Development) and Angela Crossland.
Delivering Restructures	An overview of the restructure process – Trudy Forster, Assistant Chief Executive, HR and Business Support.
Mayoral Combined Authority Governance	To provide an update on the progress of creating the Mayoral Combined Authority and governance issues – Barry Khan, Assistant Chief Executive, Legal and Democratic Services
Discussion on Committee name	
Standing items	Customer Services progress and Financial Systems progress (if any update to provide)

Monday 11 March 2024 at 10am

Subject	Description
Verbal Update from Director of Transformation	Standing item to hear from Robert Ling on LGR issues to bring to the attention of the committee
Double devolution process (TBC)	Reviewing town / parish council pilots

Operation of Harbours	Following site visits, to consider a report on the operation of the harbours under the responsibility of North Yorkshire Council and the key issues that face the harbours over the next 12/18 months – Paul Thompson, Assistant Director Integrated Passenger Transport, Licensing, Public Rights of Way and Harbours
Finance System improvement works	To hear about progress with improving the Finance system processes – Karen Iveson, Assistant Director, Resources.
Crematoria Services	Crematoria in North Yorkshire and plans for the future
Standing items	Customer Services progress and Financial Systems progress (if any update to provide)

Other topics to be considered: (from discussions and Forward Plan)

General IT Systems Improvements

Housing – dependant on view of Care, Independence and Housing O&S Committee

Staff retention and recruitment

Progress with legacy District/Borough Council projects

Customer Services

Page 6

2

Will Baines - Principal Democratic Services and Scrutiny Officer T: 01609 533885, E: william.baines@northyorks.gov.uk