

# Transition (LGR) Oversight and Scrutiny Committee

## Leisure Services



The new council for  
**NORTH  
YORKSHIRE**

# Today

- Update about Leisure and Sport
- Set out the interim proposals for the Selby leisure service from August 2024
- Discuss the proposal for a countywide Strategic Leisure Review



# Leisure and Sport across North Yorkshire



# The inactivity gap

Physical activity levels in children and young people from the Active Lives Children and Young People Survey for 2017/18 to 2020/21 (60mins mod-high intensity activity per week):

Source: Active Lives Children and Young People Survey, Sport England

	2017/18	2018/19	2019/20	2020/21
	%	%	%	%
England	43.3	46.8	44.9	44.6
North Yorkshire	44.6	44.8	42.3	46
Craven	43.1	43.8	29.5	No data available
Hambleton	No data available	51.8	No data available	49.5
Harrogate	37.4	43.3	46.2	48.0
Richmondshire	44.0	37.0	51.3	41.7
Ryedale	54.4	48.9	40.4	42.1
Scarborough	47.6	40.8	39.9	48.2
Selby	44.5	44.8	No data available	39.7

Physical activity levels in adults from the Active Lives Adult Survey for 2015/16 to 2020/21 (150mins mod activity or 75mins high per week):

Source: Office for Health Improvement and Disparities (based on the Active Lives Adult Survey, Sport England)

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	%	%	%	%	%	%
England	66.1	66.0	66.3	67.2	66.4	65.9
North Yorkshire					70.9	70.0
Craven	72.0	74.3	72.5	75.2	76.1	72.1
Hambleton	73.1	69.2	67.7	71.1	72.1	69.5
Harrogate	68.8	73.1	66.1	72.9	70.6	73.9
Richmonds hire	71.2	74.5	79.7	72.2	75.3	72.8
Ryedale	69.3	70.0	68.1	70.7	70.0	65.9
Scarborough	63.8	62.1	71.3	66.7	69.4	67.3
Selby	72.4	65.8	68.3	67.9	66.3	66.1

# Current service delivery

- Leisure revenue budget – circa £29m (2020-21)
- Direct employees – circa 1000
- Directly operated facilities 28 (16 pools)

## 7 leisure services with different delivery models

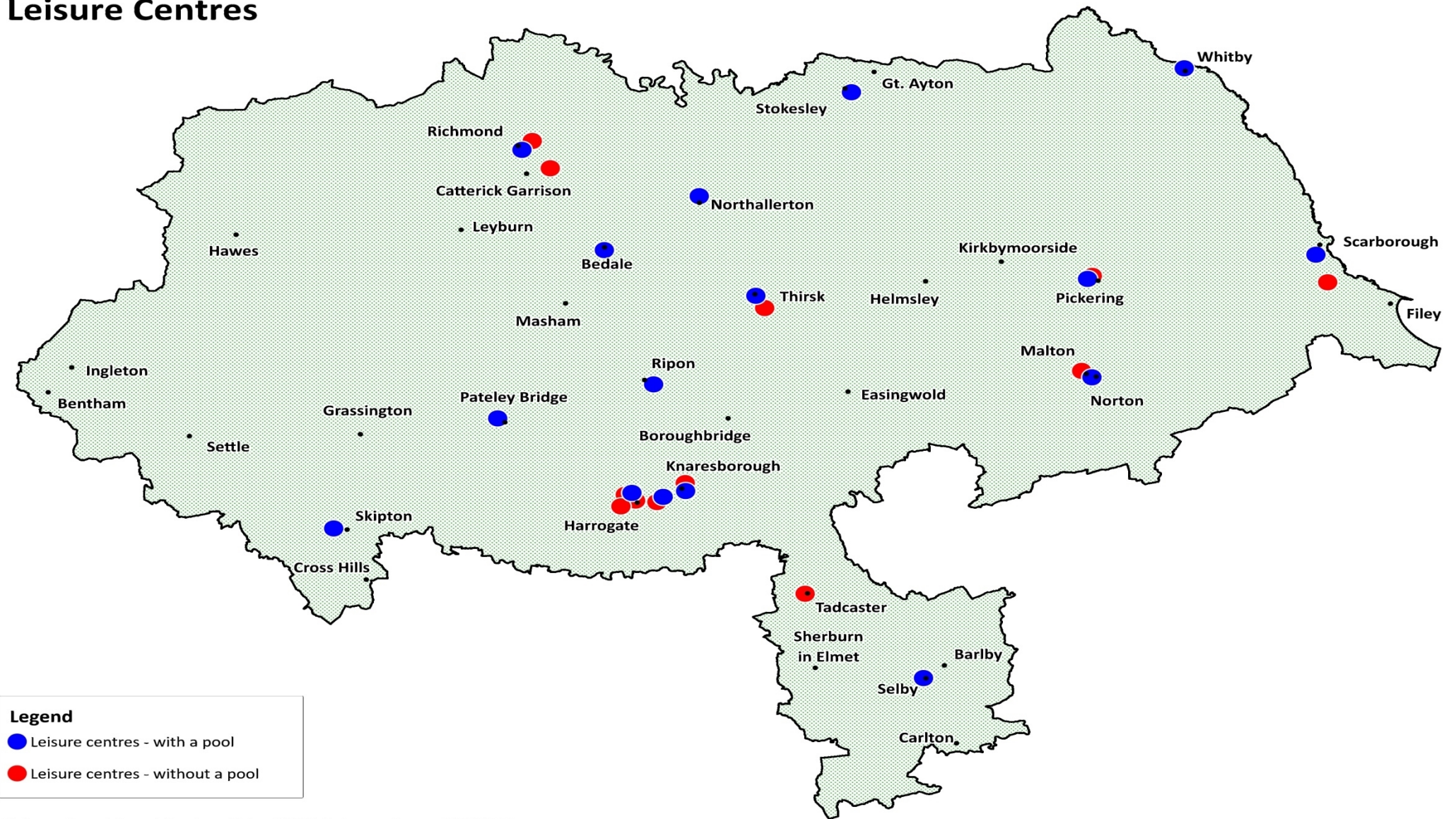
- 3 Commissioned (Scarborough & Ryedale – Everyone Active) (Selby – Inspiring Healthy Lifestyles)
- 2 In-house (Craven & Hambleton)
- 1 Teckal (Harrogate – Brimhams Active)
- 1 Charitable/commissioned (Richmondshire – Richmond Leisure Trust)

Contract expiry dates range between 2024-2027 and Teckal expiry date is 2031



# Where we operate from

## Leisure Centres



### Legend

- Leisure centres - with a pool
- Leisure centres - without a pool



# Proposals for an interim Leisure Service for Selby

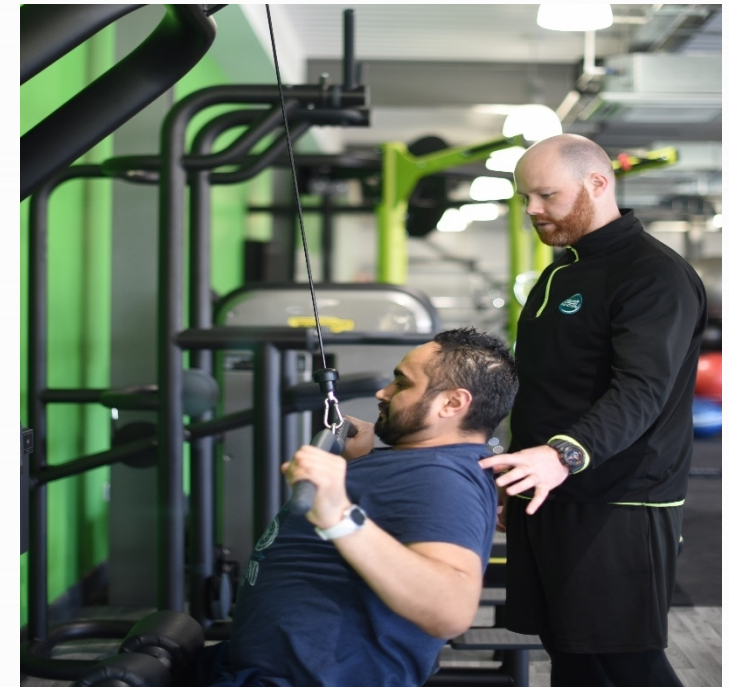
# Current situation

- Commissioned service provided by Inspiring Healthy Lifestyles (IHL)
- IHL works with 2 councils, Selby and Cannock
- Selby DC has agreed a maximum £991k Covid-19 support payment in 2022/23
- Contract runs to August 2024
- **Selby DC has decided not to re-procure the service (Executive – Sept 2022) and the preferred option at this stage is to transfer the service to Brimhams Active Teckal**



# What's the problem we are trying to solve?

- Pending a countywide Leisure review / single operating model, we need an interim solution for Selby, on a “without prejudice” basis
- It needs to be in place for a period from 2024-27 potentially but with the option to mobilise earlier in the event of market failure
- Ensure service continuity in the meantime
- Value for money and/or spend containment/reduction



# Summary of Selby option appraisal

Re-procure	Transfer in house	Teckal
<ul style="list-style-type: none"> <li>✗ Short contract period 2 years 9 months – unattractive to market</li> <li>✗ May not generate any bids</li> <li>✗ Two years required to procure</li> <li>✗ External technical and legal support required</li> </ul>	<ul style="list-style-type: none"> <li>✓ Leisure management expertise available</li> <li>✓ Similar corporate support arrangement</li> <li>✓ TUPE transfer of staff similar</li> <li>✓ Flexibility to effect service alignment pending strategic review</li> <li>✓ NNDR &amp; VAT efficiency v Ealing Case</li> </ul>	<ul style="list-style-type: none"> <li>✓ Leisure management expertise available</li> <li>✓ Similar corporate support arrangement</li> <li>✓ TUPE transfer of staff similar</li> <li>✓ Flexibility to effect service alignment pending strategic review</li> <li>✓ NNDR &amp; VAT efficiency v Ealing Case</li> </ul> <p>Teckal assessed as most financially beneficial with net cost of £26k against the in-house option of £406k (latter would be £96k with Ealing case applied but difficult to do for an interim option)</p>

# Selby financial appraisal

- Assumes pre-Covid cost and income levels
- Uplifted to 22/23 for inflation
- Management and support costs excluded (assumes no differential)
- VAT – complex and decisions need strategic review – Ealing potentially beneficial for Selby DC service but could breach partial exemption threshold for whole service – not recommended at this time – need to consider wider impacts
- NNDR – Teckal 80% mandatory relief pending new NYC policy





# Scoping a county wide Strategic Review of Leisure Services

# Considerations

- **Autumn 2022 for up to 12 months - needs to inform 2024 budget setting**
- **Scope:** needs to consider all delivery options and to take into account the Ealing case as well as the leisure service offer, access, VFM, levels of investment/financial support, etc
- Key to have **active Member involvement** – preferably through a working group chaired by the Executive Member (as well as other opportunities)
- Will require **additional officer capacity** for a fixed term period and, potentially, some external consultancy support



# Potential scope for the Review?

- Purpose, vision and ambitions of NYC leisure services
- What should a good, comprehensive “leisure offer” look like across NY?
- Universal versus targeted services/rural versus urban access issues
- Community sports development and support for grassroots sport and physical activity
- VFM, costs and taxpayer support
- Performance
- Customer satisfaction and expectations



# Potential scope for the Review?

- Charging and fees
- State of the estate
- Non-buildings based/community services (open spaces, sports clubs, etc)
- Workforce
- Delivery model (in-house, arms-length or out-sourced?)
- Governance / Member and Area Constituency Committee roles and relationships?
- Implementation of an agreed model



## What else?

# Next Steps

- Scrutiny discussion – September 2022
- Executive report – October/November 2022
- Subject to approval:
  - Selby decision to be mobilised
  - Strategic Leisure Review scoped
  - Member Working Group established and officer capacity identified
- Recommendations/proposals expected Autumn 2023