



Oversight and Governance

Chief Executive's Department
Plymouth City Council
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Published 06 August 2021

CABINET – SUPPLEMENT PACK

Tuesday 10 August 2021

4.00 pm

The Warspite Room, The Council House, Plymouth

Members:

Councillor Kelly, Chair

Councillor Nicholson, Vice Chair

Councillors Mrs Bridgeman, Deacon, Downie, Drear, Mrs Pengelly and Riley.

Members are invited to attend the above meeting to consider the items of business overleaf.

Please find enclosed additional information relating to items 8, 11 and 14.

For further information on attending Council meetings and how to engage in the democratic process please follow this link - [Get Involved](#)

Tracey Lee

Chief Executive

Cabinet

- | | | |
|------------|------------------------------------|------------------------|
| 8. | 100 Day Plan | (Pages 1 - 10) |
| 11. | Leisure Management Contract | (Pages 11 - 40) |
| 14. | Leisure Management Contract | (Pages 41 - 42) |

Cabinet



Date of meeting:	10 August 2021
Title of Report:	The Administration's commitments: First 100 day plan
Lead Member:	Councillor Nick Kelly (Leader)
Lead Strategic Director:	Tracey Lee (Chief Executive)
Author:	Andrew Loton (Head of Governance Performance and Risk)
Contact Email:	Andrew.Loton@plymouth.gov.uk
Your Reference:	
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

At the Council's Annual General Meeting on 21 May 2021, Cllr Nick Kelly was elected Leader of Plymouth City Council. The Conservative Administration has identified 86 commitments to Build Back Better in Plymouth. This report sets out at Appendix A progress in respect of 22 of these commitments that will be undertaken during the first 100 days of the administration. Eighteen commitments have been completed; these are;

- 3. We will fast track applications for Blue Badges, disabled facilities grants and disabled parking spaces for those with terminal illness.
- 5. We will increase our consultation with local communities and look to devolve more power to local people so they feel empowered and have a greater input in determining their priorities. Conservatives recognise that family values and personal responsibility strengthen local communities so we will listen more and act accordingly
- 7. Plymouth is Britain's Ocean City so we will invest in maritime facilities allowing more people to benefit from our coastal waters and making accessing the sea easier
- 13. We will increase enforcement against anti- social behaviour. This will include fly tipping, dog fouling, littering and graffiti.
- 14. We will introduce more CCTV cameras to deter crime but also identify offenders and prosecute to create safer communities for our residents.
- 21. We believe education is key to life opportunities. Sadly under Labour standards at Plymouth's schools have declined. This is unacceptable. Plymouth continues to be below the national average for all stages, Early years, Primary and Secondary educational attainment. To reverse this decline we will focus on supporting the Plymouth Education Board to drive up educational attainment because our children deserve to attend a Good or Outstanding schools
- 22. We will support the policy of not fining parents for unauthorised absence of up to 11 sessions allowing families to take a one-week holiday during term time without penalty. Family time is important

- 24. We welcome the Government's increase in the Dedicated Schools Grant of £8.16m which increases school funding to £178m in 2021/22. This will see a significant increase of resources per pupil in the city's schools
- 25. Plymouth Conservatives will continue to campaign for fairer funding where Plymouth schools see equal funding to London schools
- 57. We will NOT introduce a congestion charge in Plymouth. This would be detrimental to residents and local businesses.
- 59. We will commit to FREE parking at our district shopping centres to support our local communities in Whitleigh, St.Budeaux, Plymstock, Plympton, Estover, West Park, Stoke, Devonport, Leigham, Mountbatten Crownhill and Mutley Plain
- 70. We will invest in Mutley Plain to improve the trading conditions for local businesses by extending the FREE car parking at the Barracks and Napier Street car parks to THREE hours. We will install new CCTV cameras to expose and help prosecute anti-social behaviour such as street drinking, fly tipping, vandalism, dog fouling and drug use
- 74. To improve traffic flow and make it easier to get around Plymouth we will undertake a review of the traffic light sequencing across the city. This will also help to reduce emissions and be better for the environment
- 82. We will reduce the cost of Plymouth City Councillors by removing the new additional Councillor allowances Labour introduced immediately they took control in 2018
- 83. We will scrap the £15 bin delivery charge
- 84. We will extend the green garden waste collection period including bags and go back to fortnightly collections
- 85. We will scrap the need to register EVERY year for the green garden waste collection service
- 86. We will scrap the charges to dispose of soil and rubble for local residents at Chelson Meadow.

Recommendations and Reasons

That Cabinet:

1. To note the completion of the 18 commitments identified in this report.
2. To note the progress made towards the completion of the remaining four commitments due for completion within the administration's first 100 days.

The Leader and Cabinet wish to demonstrate delivery at pace against the Administration's commitments to improvements across a range of services which are important to residents, visitors and businesses.

Alternative options considered and rejected

Not to produce a plan. Without the formal agreement and publication of a defined set of actions within the first 100 days, there is a risk of slippage against commitments and a lack of transparency.

Relevance to the Corporate Plan and/or the Plymouth Plan

The commitments set out at Appendix A relate to the revised priorities set out in the Corporate Plan which was adopted by the Council on 14 June 2021

Implications for the Medium Term Financial Plan and Resource Implications:

Most commitments will be delivered from within existing revenue and capital resources. Where there are new resource implications, decisions will be made about allocation of resources in line with the

Council's decision making procedures. Where delegated decisions are required in order to implement specific commitments, financial implications will be set out as part of the decision making process in accordance with the Council's constitution.

Carbon Footprint (Environmental) Implications:

Environmental sustainability is a key priority of the new administration, and the waste management, recycling and traffic management commitments are specifically aimed at reducing the city's carbon footprint.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The commitments within the first 100 day plan make specific contributions to community safety, inclusion, community engagement, increased support for the vulnerable and improved educational standards for children and young people.

We have given due regard to our statutory duties under the Equality Act 2010 and the Public Sector Equality Duty.

The commitment to fast track applications to the blue badge scheme, disabled facility grants and parking spaces for those with terminal illness will have a positive impact on people with disabilities. Securing a sustainable funding settlement for Adult Social Care will contribute to better outcomes for people with disabilities and the agenda to empower local people has the potential to contribute to better outcomes for communities sharing protected characteristics.

Over the coming months as we move to deliver the priority commitments of the Administration, Equality Impacts Assessment will be carried out, where required by service leads for each the priority areas set out in the first 100 days plan.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	The new Administration's commitments: First 100 Day Plan							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

Fin	djn.21 .22.49	Leg	3694 4/AC/ 8/7/2 1	Mon Off		HR		Asset s		Strat Proc	
Originating Senior Leadership Team member: Giles Perritt (Assistant Chief Executive)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 06/08/2021											
Cabinet Member approval: Councillor Nick Kelly (Leader)											
Date approved: 06/08/2021											

Appendix A: The Administration's commitments: First 100 Day Plan						
Number	Commitment	Lead Dept.	CMT Member	Cabinet Member	May-August 2021 Progress Update	Completed
3	We will fast track applications for Blue Badges, disabled facilities grants and disabled parking spaces for those with terminal illness	People	Craig McArdle	Patrick Nicholson/ Jonathan Drean	1) Blue Badges- Rapid Review and refresh of existing policy and process- June 2021 - Update public information and promote scheme (July) COMPLETED 2) DFGs-Review and Refresh Existing Independent Living Policy. Update information and communicate widely-July COMPLETED 3) Parking Spaces-Review existing policy and amend to specifically cover terminal illness-July. COMPLETED	10th August 2021
4	We will continue to lobby the Government to put in place a sustainable funding settlement for Adult Social Care, to include increased funding to support carers and those living independently with disabilities. We will also seek a fair distribution of national Public Health resources for Plymouth	Integrated Commissioning / Public Health	Craig McArdle / Ruth Harrell	Patrick Nicholson	Review and update of Asks and Offers and engage MPs. The focus is on lobbying Members of Parliament about wellbeing hubs which will need to be tailored to the needs of each of the three constituencies.	
5	We will increase our consultation with local communities and look to devolve more power to local people so they feel empowered and have a greater input in determining their priorities. Conservatives recognise that family values and personal responsibility strengthen local communities so we will listen more and act accordingly	People/Public Health	Craig McArdle/ Ruth Harrell	Vivien Pengelly/ Nick Kelly	Using our Engagement Framework plan and launch a "Summer of Community Conversations" Initial Conversations: 1. Homelessness-(In partnership with the VCS) Violence against Women and Girls Healthy Communities Together (Social Isolation and Social Connections) City Centre Health and Wellbeing Hub 2. Leader's Listening Residents' Survey Leader's Listening Business Sector Round Table Homelessness- Meeting at Homelessness Prevention Partnership w/c 21st June on Engagement. Will continue throughout Summer and go onto an Event on World Homelessness Day HWB Hub-The community engagement report has been finalised. The engagement with GP	29th July 2021
7	Plymouth is Britain's Ocean City so we will invest in maritime facilities allowing more people to benefit from our coastal waters and making accessing the sea easier	Economic Development	Anthony Payne	Jonathan Drean/ Maddi Bridgeman	Completed: Installed 5 new semi-automatic defibrillators and 14 sea swimming safety signs across Waterfront; plus arranged defibs and CPR training courses for 48 business staff and wild swimmers. Improve visual appearance of Mount Batten Water sports Centre ahead of SailGP. Install fibre connectivity required to host SailGP event to Hoe and Millbay. The (trial) NMP swimming platform is due to be installed just off Tinside East Beach on 2nd August.	2nd August 2021

Number	Commitment	Lead Dept.	CMT Member	Cabinet Member	May-August 2021 Progress Update	Completed
13	We will increase enforcement against anti- social behaviour. This will include fly tipping, dog fouling, littering and graffiti.	Public Health	Ruth Harrell	John Riley	<p>1. Fly Tipping - new CCTV equipment available and working from 1st July can be used in problem areas to increase evidence collection. Hope to recommence immediate searching of waste after 19th July (subject to Health and Safety advice) to increase evidence collection.</p> <p>2. Dog Fouling and Littering - uniformed and non-uniformed patrols to be increased when additional staff available. Fixed Penalty Notices [FPN] for these offences.</p> <p>3. Graffiti - FPN is possible if witnessed and person responsible is identifiable. Re-communicate this to key partners who can provide evidence to support action. Meet with colleagues from Community Connections and Street Services to consider coordinated response to graffiti and potential prevention approach.</p>	10th August 2021
14	We will introduce more CCTV cameras to deter crime but also identify offenders and prosecute to create safer communities for our residents.	Street Services / Community Connections	Anthony Payne / Craig McArdle	John Riley	<p>We have taken delivery of 10 x rapidly deployable cctv cameras and have received requests from the Police to position a unit where social disturbance is being experienced - there is a formalised process to follow, with a privacy impact assessment being carried out to ensure we are deploying in compliance with section 30 of the Protection of Freedom Act 2012. A further 3 units are ordered and await delivery. We are working with Police, Safer Plymouth and Community to re-inforce CCTV cover in the central area of the city and have entered into round 2 of the Safer Street Fund for additional CCTV cover and Emergency Help Points. Fibre interconnections in the North StoneHouse area have replaced aged copper interconnections with additional CCTV cover in Victoria Park and the surrounding residential streets. 94% of the HMPE CCTV cover (x60 units) have now been converted to high resolution PTZ Digital Cameras</p>	29th July 2021
21	We believe education is key to life opportunities. Sadly under Labour standards at Plymouth's schools have declined. This is unacceptable. Plymouth continues to be below the national average for all stages, Early years, Primary and Secondary educational attainment. To reverse this decline we will focus on supporting the Plymouth Education Board to drive up educational attainment because our children deserve to attend a Good or Outstanding schools	Education, Participation and Skills	Alison Botham	Dave Downie	<p>The Place-based Trailblazer Programme has progressed with five priorities being identified. The strong MATs and PCC Education Service have been identified to lead these areas of improvement. Cabinet member announced Place-based Trailblazer Funding and plan of action and associated PR at Cabinet on 13 July 2021. Discussion also took place at the Education and Children's Social Care Scrutiny Committee on 07 July 2021. Further discussion and communication happened through the Plymouth Education Board on 09 July 2021.</p> <p>A Bright Future – Plymouth Children's Services Plan has been developed which will provide strategic framework for supporting the Plymouth Education Board (PEB) to drive up education improvement. PEB is being aligned with the Plan to have clear governance structure of phase focus strategy boards and inclusion strategy board. The governance of the Place-based Trailblazer programme is fully developed in partnership between PCC, MATs and the Regional School Commissioner (RSC). The School Causing Concern Process has been reviewed and renamed as Every Child Attends a Good School Review Process in order to have a more robust system to monitor schools' performance and to intervene timely where necessary.</p>	13th July 2021

Number	Commitment	Lead Dept.	CMT Member	Cabinet Member	May-August 2021 Progress Update	Completed
22	We will support the policy of not fining parents for unauthorised absence of up to 11 sessions allowing families to take a one-week holiday during term time without penalty. Family time is important	Education, Participation and Skills	Alison Botham	Dave Downie	<p>A new attendance related Penalty Notice Code of Conduct has been developed, consulted and agreed to by the schools and the stakeholders, committing to not fining parents for an unauthorised absence of up to 10 sessions.</p> <p>The Code of Conduct for Penalty Notices has been reviewed to reflect the position in Plymouth and all schools supported to enforce regular school attendance. At present penalty notices can be issued for all types of unauthorised school absence, but not unauthorised holiday absence. Plymouth City Council held a statutory consultation in relation to changes to the Code of Conduct. It has been presented to Head teachers and MAT CEOs' meetings. As a result of the Consultation a new Code of Conduct will be launched on 1 September 2021.</p>	13th July 2021
24	We welcome the Government's increase in the Dedicated Schools Grant of £8.16m which increases school funding to £178m in 2021/22. This will see a significant increase of resources per pupil in the city's schools	Education, Participation and Skills	Alison Botham	Dave Downie	<p>Cabinet member announced at Cabinet on 13 July 2021 that City Council welcome the Government's increased in school funding, setting out the city's effort to use this opportunity to enhance school improvement collaboration.</p> <p>While the City Council recognise that the funding is dedicated to schools, PCC's Education Service have taken into account this new funding landscape in developing school improvement partnership and Every Child Attends a Good School Process in order to empower schools to improve through a school-led self-improving system. The Council's Finance Service have analysed the funding increase and provided an accurate calculation of what Plymouth schools will receive. It will be an average per pupil increase of £225 (4.6%) compared against the 2020/21 baseline. The national average per pupil increase is £196 (3.9%). Plymouth's average funding increase per school is £0.066m for primaries and £0.173m for secondaries. This additional funding will help to raise standards and promote inclusion across the city, with a significantly increased potential to sustain the school improvement collaboration in Plymouth. This additional funding will go some way to helping us achieve our commitment and to ensure no child is left behind - it will help to raise standards and promote inclusion across the city, and will significantly increase the potential to sustain the collaboration that has been happening between us and schools to deliver the improvement that is needed. This work will also be supported by the recent funding announcement where Plymouth has been selected as one of only 4 areas nationally to benefit from a share of £10m to pilot new place-based school improvement approaches to improving educational attainment.</p>	13-Jul-21
25	Plymouth Conservatives will continue to campaign for fairer funding where Plymouth schools see equal funding to London schools	Finance/Education, Participation and Skills	Alison Botham	Dave Downie	<p>Plymouth City Council Leader Cllr Kelly wrote to the Secretary of State for education asking the government to provide Plymouth schools with the same level of funding that London Boroughs receive.</p> <p>The City Council has updated Asks document and engaged MPs to make a joint effort in our campaign for fairer funding. The Council Leader Cllr Kelly wrote to the Secretary of State for Education on 24 June 2021. A response was received from Rt Hon Nick Gibb MP on 05 July 2021 explaining the rationales behind the funding disparity between the local authority areas.</p>	13th July 2021

Number	Commitment	Lead Dept.	CMT Member	Cabinet Member	May-August 2021 Progress Update	Completed
27	As Conservatives, we are truly committed to improving the environment for future generations. We will put this at the heart of what we do. We will therefore work more closely with our local communities and businesses to create innovative ways to reduce waste, avoid single use plastic and increase re-cycling rates	Street Services	Anthony Payne	Maddi Bridgeman	We continue to champion adherence to the waste hierarchy, with greater emphasis on reduce, reuse and recycle. Empowered by the government's Environment Bill (under consultation) we are exploring ways to make it easier for businesses and communities to reduce the waste they produce and to favour reuse and recycle over recovery and disposal. This ranges from developing a reuse centre at Chelson Meadow, deploying further mixed recycling municipal bins in high footfall areas and looking at working with schools and other educational settings in the new academic year.	
30	We will lobby the Government to provide funding to allow a major network of electric charging points throughout the city to make electric vehicle ownership easier. We will use the planning system to ensure new build properties have electric charging facilities to support Plymouth motorists changing to electric vehicles	SPI	Anthony Payne	Jonathan Drean	1) Reviewed and updated Asks Document and engaging MPs. 2) Lobbying letter from Cabinet Member sent to Secretary of State. 3) Cabinet Member for Transport has reviewed the planning policies in relation to EV charging. 4) Promote existing charging points around the city.	
57	We will NOT introduce a congestion charge in Plymouth. This would be detrimental to residents and local businesses.	SPI	Anthony Payne	Jonathan Drean	Completed: Announcement by the Cabinet Member for Transport at the 8th June Cabinet confirming there are no plans to introduce a congestion charge in Plymouth and issue comms.	8th June 2021
59	We will commit to FREE parking at our district shopping centres to support our local communities in Whitlegh, St.Budeaux, Plymstock, Plympton, Estover, West Park, Stoke, Devonport, Leigham, Mountbatten Crownhill and Mutley Plain	Street Services	Anthony Payne	Jonathan Drean	Publicise free shopper car parks as part of promotion of local shopping centres. Cabinet member decision to be taken early August will mark the completion of the commitment	10th August 2021
70	We will invest in Mutley Plain to improve the trading conditions for local businesses by extending the FREE car parking at the Barracks and Napier Street car parks to THREE hours. We will install new CCTV cameras to expose and help prosecute anti-social behaviour such as street drinking, fly tipping, vandalism, dog fouling and drug use	Street Services	Anthony Payne	Jonathan Drean/ John Riley	The Council advertised proposals to increase from 2 to 3 hours free parking on 24th June as part of the statutory process. Subject to any representations received, following the statutory consultation, Cabinet Member authority will be sought, via Exec Decision, to implement the change. Commitment on target for August 21. It is proposed to modernise CCTV within the car park with new digital CCTV systems.	10th August 2021

Number	Commitment	Lead Dept.	CMT Member	Cabinet Member	May-August 2021 Progress Update	Completed
72	To help improve road safety and traffic flow we will encourage greater use of private garages and driveways for the parking of vehicles so leaving the roads clearer	Street Services	Anthony Payne	Jonathan Drean	Operational element of commitment will deliver a campaign to encourage use of off street parking in areas where issues exist to accessibility due to parked vehicles (data has been collated in relation to issues impacting on waste collections and from Devon Fire and Rescue). This is to be undertaken by end of August 21. More longer term and strategic is around informing housing developments. Discussion between Plymouth Highways and SP&I to collaboratively explore opportunities to consider how future housing schemes can be designed with this in mind, to encourage use of off street over On Street parking. We will continue to work with the Transport team and the Low Carbon City Officers to consider the transition to Ultra low emission vehicles and the need for decarbonisation in the city. We will explore any grants that may be available to encourage proprietors to upgrade their vehicles to those with low or no emission.	
74	To improve traffic flow and make it easier to get around Plymouth we will undertake a review of the traffic light sequencing across the city. This will also help to reduce emissions and be better for the environment	Street Services	Anthony Payne	Jonathan Drean	We are expanding the city's traffic management capabilities whilst increasing Road Capacity by 13% (DfT prediction) by investing in 'Microprocessor Optimised Vehicle Actuation (MOVA)' technology which makes more effective use of the Highway network at all times of the day and night. by increasing the virtual intelligence of signalised junctions, allowing the controllers to 'learn' traffic movements, maximise control efficiency and communicate with up/down stream junctions. They are also equipped with Vehicle to 'X' (V2X) technology - in readiness for semi automated vehicle movement.	10th August 2021
82	We will reduce the cost of Plymouth City Councillors by removing the new additional Councillor allowances Labour introduced immediately they took control in 2018.	Chief Executive's Office	Giles Perritt	John Riley		17th June 2021
83	We will scrap the £15 bin delivery charge	Street Services	Anthony Payne	Maddi Bridgeman	Completed: Delegated decision taken by the Leader on the 9th June. Implemented on the 17th June.	17th June 2021
84	We will extend the green garden waste collection period including bags and go back to fortnightly collections	Street Services	Anthony Payne	Maddi Bridgeman	Completed: Delegated decision taken by the Leader on the 9th June. Implemented on the 17th June.	17th June 2021
85	We will scrap the need to register EVERY year for the green garden waste collection service	Street Services	Anthony Payne	Maddi Bridgeman	Completed: Delegated decision taken by the Leader on the 9th June. Implemented on the 17th June.	17th June 2021
86	We will scrap the charges to dispose of soil and rubble for local residents at Chelson Meadow	Street Services	Anthony Payne	Maddi Bridgeman	Completed: Delegated decision taken by the Leader on the 9th June. Implemented on the 17th June.	17th June 2021

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Cabinet



Date of meeting:	10 August 2021
Title of Report:	Leisure Management Options Business Case
Lead Member:	Councillor Mark Deacon (Cabinet Member for Customer Services, Culture, Leisure and Sport)
Lead Strategic Director:	Craig McArdle (Strategic Director for People)
Author:	Liz Slater, Leisure Partnership Manager
Contact Email:	liz.slater@plymouth.gov.uk
Your Reference:	LM
Key Decision:	Yes
Confidentiality:	Part I - Official

Purpose of Report

To seek the agreement of Plymouth City Council Cabinet to the recommendations in the Leisure Management Options Business Case. The Business Case seeks approval to move to a Local Authority Trading Company when the current contract expires on 31st March 2022.

Recommendations and Reasons

It is recommended that Cabinet:

1. Approves the Business Case and in particular the creation of a Local Authority Trading Company for the delivery of leisure services for the following facilities; Plymouth Life Centre, Plympton Swimming Pool, Tinside Lido, Mount Wise Pools, and Brickfields Sports Centre, with effect 1 April 2022.
2. Delegate authority to Craig McArdle, Strategic Director for People to:
 - 2.1 Appoint council officers as Directors of the Local Authority Trading Company; and
 - 2.2 Appoint either himself or another senior council officer to act as member representative for the Local Authority Trading Company and to exercise all voting rights on behalf of the Council as member of the company subject to Key Decisions (as defined by the Council's Constitution) being reserved to the Leader/ Cabinet) and take any necessary action to protect, safeguard and effectively manage the Council's interest in the Local Authority Trading Company

Alternative options considered and rejected

5 other options were considered as follows:

- **Option 1 – Do Nothing** – High probability of closure / service continuity failure (partial failure) or increased costs through last minute negotiation with limited options

- **Option 2 – Extend with current provider** – Does not align strategically to achieving the aims of ‘Towards an Active Plymouth’ vision to make Plymouth the most active coastal city in England by 2034 and does not achieve Best Value.
- **Option 3 – Outsource** – not viable within the timeframe available and expectation that there is unlikely to be a competitive leisure market at this time
- **Option 4 - Alliance based contract or community asset transfer (CAT)** – Not viable within the timescale available, but the benefits can still be secured in the preferred option
- **Option 5 – In-house provision** – Not affordable as the Council does not benefit from VAT and NNDR concessions

Relevance to the Corporate Plan and/or the Plymouth Plan

We need to realign the way we run our leisure facilities to our new strategic priorities, defined in the Plymouth Plan 2014 to 2034 and Active Devon’s ‘Towards an Active Plymouth’ vision to make Plymouth the most active coastal city in England by 2034. The Plymouth Plan includes policies to enhance Plymouth’s sporting facilities and to optimise the health benefits of the natural environment. This report supports the Corporate Plan’s aim to unlock the city’s potential by making the most of the city’s built and natural assets, with strong community leadership, working with residents, communities and businesses to deliver our common ambition.

Implications for the Medium Term Financial Plan and Resource Implications:

We estimate moving to a LATC would bring a small net benefit of £12,000 over a five-year period (after covering start-up costs) but there is potential to generate a further saving of around £382,000 through service transformation and investment in facilities – which also means an improved service to customers.

Carbon Footprint (Environmental) Implications:

The LATC will provide opportunities to work with key partners in the city to reduce the carbon footprint of the facilities.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

Plymouth is generally an active city, but it has an underlying challenge: inactivity levels are higher than the Devon and national averages with more than one in four adults not active at all (i.e. sedentary). While this is a stark challenge, the city has good foundations from which to ‘level the playing field’. It has an established commitment to tackling inequality, some of the best green, blue and built assets in the UK, and the intent to ‘unlock’ them.

One of the main drivers for changing to a LATC model has been the requirement to realign the operation of the leisure centres to the new strategic priorities of the Council; including addressing health inequalities and targeting the most vulnerable members of the community. The LATC will adopt and monitor PCC’s Equality and Diversity Policy.

The nature of leisure services will require provision of risk management and robust health and safety operating procedures, which the LATC will have responsibility for.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Strategic Business Case							
B	Part II – Financial Modelling			X	X			

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7
N/A							

Sign off:

Fin	djn.21 .22.75	Leg	MS/0 2.08.2 1/123 6	Mon Off	lt/371 19/05 0821	HR	03.08. 2021 KAB	Asset s	03.08. 2021 KAB	Strat Proc	PB/LM/00 7/CAB/BC /0821
Originating Senior Leadership Team member: Anna Coles (Service Director of Integrated Commissioning)											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 27/07/2021											
Cabinet Member approval: Councillor Mark Deacon (Cabinet Member for Customer Services, Culture, Leisure and Sport) Date approved: 27/07/2021											

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STRATEGIC BUSINESS CASE

LEISURE MANAGEMENT CONTRACT



Executive Summary

SLM (Everyone Active) has operated the following Council leisure facilities since 2012: Brickfields Sports Centre, Mount Wise Pools, Plympton Swimming Pool, Plymouth Life Centre, and Tinside Lido.

The leisure management contract is due to expire at the end of March 2022 and the Council needs to determine how the leisure facilities will be operated from April 2022.

Options that have been considered are:

- To do nothing
- To extend the contract with SLM
- To retender the contract
- To transfer facilities to community-based organisation(s) under community asset transfer (CAT) arrangements
- To run and maintain facilities in-house and transfer all staff to the Council
- To transfer facilities and staff to a new Local Authority Trading Company, owned and controlled by the Council

The Council have undertaken a full options appraisal to ascertain the 'best value operating model' and have engaged sector specialist Fathom Consultancy Solutions to review the work of officers and to provide input into this Business Case.

The Business Case concludes with a recommendation to establish a Local Authority Trading Company (LATC) for the provision of Leisure Management Services within the city of Plymouth, with effect from 1 April 2022.

In recommending a LATC:

- We have carried out a detailed appraisal of all options for managing our leisure facilities when the current contract ends in Spring 2022
- The leisure sector has been seriously impacted by COVID-19 and it is highly unlikely that a tender would deliver a best value outcome in the current market
- We need to realign the way we run our leisure facilities to our new strategic priorities, defined in the Plymouth Plan 2014 to 2034 and Active Devon's 'Towards an Active Plymouth' report
- Our aim is for Plymouth to be the most active coastal city in England by 2034
- The LATC will assist with tackling health inequalities in the city and support our most vulnerable residents
- A LATC will unlock the true potential of our green, blue and built assets – which means making the most of our natural environment as well as our buildings. The future use of Tinside Lido will be an integral part of our National Marine Park vision for the waterfront.

- We need to address operational challenges, including ageing stock (Plympton Swimming Pool) and a core offer (Brickfields) that no longer meets the physical activity needs of the community
- Moving to a Local Authority Trading Company (LATC) model will enable the service more flexibility to meet the city's strategic needs. It also provides a longer-term solution than a short-term extension to the current contract.
- We estimate moving to an LATC would bring a small net benefit of £12,000 over a five-year period (including start-up costs of approximately £514k) but there is potential to generate a further saving of around £382,000 through service transformation and investment in facilities – which also means an improved service to customers.

Background Information

In 2011, the Authority awarded a 10-year (2012-2022) Leisure Management Contract (LMC) to Sports and Leisure Management Ltd (SLM – Everyone Active) to operate: The Plymouth Life Centre (PLC), Mount Wise Pools, Brickfields Sports Centre, Plympton Swimming Pool (PSP) and the Tinside Lido.

This followed a realignment of the Council's leisure stock, an investment of circa £40m to build the PLC (2012) and an options review for the future management of the service (2011). Prior to 2011, the leisure facilities had been operated by a mix of service providers; Mayflower Leisure Trust, PCC, Plymouth Pavilions, Plymouth Diving and Devonport Community Leisure Ltd.

The leisure facilities are a high-profile front facing public service, which help to deliver wellbeing outcomes; particularly in relation to physical activity. Approximately 1.8m attendances are recorded across the 5 facilities annually, with 1.4m of these attendances attributed to the PLC, making it one of the busiest leisure facilities in the UK. The current contract value is £615,164 per annum.

The leisure management contract is due to expire at the end of March 2022 and the Council needs to determine how the leisure facilities will be operated from April 2022.

Impact of COVID-19

Covid-19 has had a major impact on the sector, with facilities been closed for much of the period since March 2020. When facilities have re-opened, they have had restricted capacity due to the Covid-19 measures put into place (social distancing etc.). Some costs have also increased, including sanitization and cleaning regimes. Income has been restricted, but operators such as SLM have benefitted from government funding for furlough and from the National Leisure Recovery Fund.

Sport England are completing a national data gathering exercise on a weekly basis, and the return of demand has exceeded most observers' expectations. Use of outdoor and digital facilities will increase in 2022 and beyond, and many operators are forecasting a return to "business as usual" by April 2022.

The impact of Covid-19 on the marketplace is covered in detail in the independent market assessment provided by Fathom. In summary, there is very little competitive tension in the market for leisure operators at present. Operators are currently risk averse and generally offering terms that are less attractive than in previous years. The independent market assessment concludes with the view that it is highly probable that there is insufficient market tension to secure a Best Value outcome from outsourcing at present, and possibly for a period of 24 -36 months.

Strategic Vision

“Plymouth to be the most active coastal city by 2034”

Evidence for the contribution of physical activity, sport, and leisure on healthy and thriving communities is overwhelming. This is due to the established synergy between physical movement, social connection, educational attainment, economic growth, community resilience and disease prevention.

Plymouth is generally an active city, but it has an underlying challenge: inactivity levels are higher than the Devon and national averages with more than one in four adults not active at all (i.e. sedentary). While this is a stark challenge, the city has good foundations from which to ‘level the playing field’. It has an established commitment to tackling inequality, some of the best green, blue and built assets in the UK, and the intent to ‘unlock’ them.

One of the main drivers for changing to an LATC model elsewhere in the UK¹ has been the requirement to completely redesign and realign the operation of the leisure centres to the new strategic priorities of the Council; including addressing health inequalities and targeting the most vulnerable members of the community.

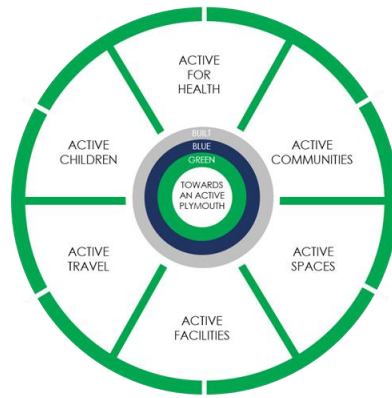
The Plymouth Plan 2014-34 remains the overarching plan for the City and the effective operation of the leisure centres will make major contributions to the following strategic outcomes;

Policy HEA3 Supporting adults with health and social care needs.	Policy HEA4 Playing an active role in the community.	Policy HEA5 Delivering strong and safe communities and good quality neighbourhoods.
Policy HEA6 Delivering a safe, efficient, accessible, sustainable and health-enabling transport system.	Policy HEA7 Optimising the health and wellbeing benefits of the natural environment.	
Policy GRO1 Creating the conditions for economic growth.	Policy GRO5 Enhancing Plymouth's sporting facilities.	

In November 2020, Plymouth City Council (PCC) approached partner Active Devon (AD) to help facilitate a clearer vision and strategic direction for the provision of physical activity, sport and leisure through a discussion report and recommendations.

The strategic objectives are defined in the illustration below:

¹ According to feedback received during research into the development of the LGA guide to leisure insourcing



Case for Change

The Council's goal is for Plymouth to be the most active coastal city in England by 2034.

The current contractual arrangements require the Council to pay an annual contract price to the current provider; the Council will challenge itself to achieve best value from the service from April 2022 onwards. Achieving savings in the current climate will be difficult.

There are a range of investment opportunities available to the Council, the current provider, or other parties (or a combination of these). Whether through a revenue charge / fee or capital sum, the Council will be the main funder and should ensure that it generates the best return on investment (ROI).

Additionally, a core number of operational challenges have been identified by the existing service provision, which should be addressed through the provision of an options appraisal:

- Ageing facility stock, in particular Plympton Swimming Pool
- Core facility offer which no longer meets the physical activity needs of the community i.e. Brickfields Sports Hall / stand-alone pool at Plympton; under-utilization of green spaces at Brickfields
- Profit share arrangement (has not been triggered during the current Contract term), despite some of the highest throughput figures of any leisure centre in the Country (pre-covid) at PLC
- The current provider has provided transparency on the financial challenges it faces.
- An injection of capital has been identified to support business growth and promote physical activity at Brickfields and Plympton Swimming Pool

The Council's aims include;

- improving the quality of leisure facilities and services by delivering better social outcomes, e.g. to meet new policies in the Plymouth Plan and Towards an Active Plymouth (effectiveness);
- improving the delivery of leisure facilities and services through better use of inputs and outputs (efficiency);
- reducing the costs of providing the leisure facilities and services (economy);
- ensuring the Council is able to meet legal, regulatory or organisational requirements and accepted best-practice (compliance and conformance);
- averting service failure and partial service failure and providing business continuity (replacement).

Scope

The initial scope includes the occupancy, operation and maintenance of the following facilities;

- a. Plympton Swimming Pool
- b. Tinside Lido
- c. Mount Wise Outdoor Pools
- d. Brickfields Sports Centre and recreation Ground
- e. Plymouth Life Centre (PLC).

In the work to date, the inclusion of the Sports Development functions has not been considered, but this is an option that may be considered at a future stage.

Constraints

Limited time available to decide on the best option and to implement in time to achieve an effective transfer by no later than 1st April 2022.

Limited time available to deliver the LATC's Proposal and Business Plan by October 2021.

Lack of certainty around the market conditions for outsourcing – validated by the independent view obtained from Fathom Consultancy Solutions.

Dependence upon data and financial information provided by the current provider.

Caveats stated in the Financial Impact Assessment, including the assumption that the LATC is able to generate the same levels of income as the current provider, at a similar cost of operation.

A degree of uncertainty around the true net benefit of NNDR relief to the Council.

Availability of the Council to carry the burden of the non-recurring costs in year one and the costs of developing and executing the deployment of the LATC in the current year budget.

Officer time and resource required to implement any of the options.

The ability of the LATC to meet the income and expenditure projections will be largely determined by the quality of management and leadership of the LATC and its board of directors. In particular, the LATC will need expert sales and marketing and multimedia platform support to replace these business critical support functions previously provided by the current provider's head office functions.

Options Appraisal

The critical success factors are the attributes essential for successful delivery, against which the options have been appraised.

Criteria	Weighting
Ability to secure VAT concessions and innovate to deliver efficiency savings - over the longer term	20%
Ability to determine and adopt the Council's preferred pricing and programming policy	20%
Ability to secure new income streams including health and wellbeing and to deliver investment plans with good ROI	20%
Ability to secure high quality jobs and work related training for local people	15%
Ability to change direction and priorities to align to the changing priorities of the Council and the Plymouth community	25%

OPTION 1	Do nothing
Description	Allow contract with the current provider reach expiration
Net Costs	N/A
Advantages	Savings on process costs and of opportunity cost for officer time
Disadvantages	High probability of closure / service continuity failure (partial failure) or increased costs through last minute negotiation with limited options.
Conclusion	Not viable
OPTION 2	Extend with the current provider
Description	Agree terms with the current provider for three-year extension
Net Costs	Assumed to be on the same basis as year ten of the contract.
Advantages	Some savings on process costs and of opportunity cost for officer time
Disadvantages	Would be very much an 'interim holding position' not addressing the long-term strategic vision of the service. Due to market uncertainty operator unlikely to be able to fund any capital improvements
Conclusion	Not preferred strategically.
OPTION 3	Outsource
Description	This would involve the completion of a tendering event compliant with the Public Contract Regulations 2015 (or equivalent for Concession).
Net Costs	Independent advice has been taken from Fathom Consultancy Solutions that there is unlikely to be competitive tension in the market for between 18 -36 months and that it is therefore highly unlikely that this could result in the Best Value outcome. To support Local Authorities the LGA has provided

	recent guidance : A guide to the emergency insourcing of leisure services Local Government Association
Advantages	Can secure a degree of contractual cost certainty in normal market conditions.
Disadvantages	The contract will need to allow changes to the Specification to meet the Council's changing priorities. Lowest cost option will generally provide a lot of discretion for the operator to set pricing and programming policy (commercial liberties). No guarantee that the process would result in an award of any kind
Conclusion	There is compelling evidence that there is unlikely to be a 'competitive leisure market' during the Covid Pandemic impact period.
OPTION 4	Alliance based contract or community asset transfer (CAT)
Description	This would involve the transfer of assets to a community-based organisation through a process known as Community Asset Transfer (CAT). Fathom Consultancy Solutions suggest that it is almost inconceivable that a qualifying community-based organisation will have the capacity and financial resources to take on the occupancy of the range of facilities within scope. It is possible that some of the smaller assets could be suitable for CAT. Transfer of the service to a LATC, will allow time to explore management options for smaller assets.
Net Costs	Unknown, without completion of a process.
Advantages	Maybe suitable for smaller facilities that require long-term capital investment through a long-term lease.
Disadvantages	Will require a complex contract
Conclusion	Not viable within the timescale available, but the benefits can still be secured in options 5 and 6
OPTION 5	In-house provision
Description	This would involve the transfer of staff to the Council. The Council would take on all trading risks and the cost of running and maintain the facilities.
Net Costs	Financial Impact Assessment suggests an annual cost of approximately £2.074m (an increase of more than £1.465m per annum based on the existing costs with the current provider. This is mainly due to harmonisation workforce costs, pensions, loss of NNDR and VAT).
Advantages	Direct control and ability to change policies to reflect Council strategic aims without complex third party interests. Secures long term service continuity
Disadvantages	Loss of degree of cost certainty. Council would retain the full trading risk. Does not benefit from VAT concessions.
Conclusion	Not affordable
OPTION 6	Local authority trading company (LATC)

Description	This would involve the transfer of staff to a company owned and controlled by the Council (a Local Authority Trading Company LATC).
Net Costs	The LATC would show a small net revenue benefit of £12k over the five-year period (when bench marked against existing contract costs and after start-up costs). With transformation and investment, the operation by the LATC has the potential to generate a further saving of approximately £382k over the initial five year term.
Advantages	Capable of being delivered outside of public procurement regulations, subject to compliance with the exemptions provided to a Council. Indirect control and ability to change policies to reflect Council strategic aims in agreement with the LATC. Benefits from VAT and NNDR concessions. High quality jobs can be secured by a local employer (the LATC). Provides latitude for staff cost reductions not available with the Council in-house (LGPS pensions scheme closed etc.) /Secures long term service continuity/Can facilitate the types of investment included within the Option 4 proposals (including future CAT transfers and investment schemes for developing the facilities and products). The LATC can trade 20% of its services outside of the Council (if benefits can accrue to the Council). /Presents an opportunity to align the service with the strategic vision of the Council.
Disadvantages	Cost of establishment (advisors and officer time) Ultimate trading risk remains with the Council. Does not afford the degree of contractual cost certainty for the Council available with outsourcing
Conclusion	LATC Best fit option

Preferred Option

Option 6 – Local Authority Trading Company is the preferred option as the best fit option.

The commissioning outcomes of a LATC will reflect the 'Towards An Active Plymouth Strategy' to

- Encourage family and multi-generational participation
- Develop more grassroots sessions
- Create social networks and opportunities
- Target local communities
- Support the provision of free events
- Work with partners
- Ensure all activities are accessible and affordable
- Support vulnerable / low-income families to become active
- Encourage the use of cycles

- Support Disability Training opportunities
- Help reduce carbon impact
- Promote innovation and maximize assets

A core consideration of a LATC option is the ability to more closely align the Council's changing priorities with the way the leisure centres are operated and delivered.

The Council will gain benefits from VAT and NNDR concessions and the LATC will be able to secure high quality local jobs. This option secures long-term service continuity and the LATC can trade 20% of its services outside of the Council.

Financial modelling is contained under the Part II paper.

Alternative Delivery Vehicles

Other options available would be to establish one of the following vehicles.

- Company Limited by Shares
- Mutual
- Charity
- Social Enterprise
- Limited Liability Partnership

Each of these forms has its own merits, advantages and disadvantages. A detailed examination of the characteristics of each of these type of entities is set out in Appendix I. However In this case these alternative delivery vehicles are not favoured for the following reasons:

- There is a need to maintain control over the company so as to be able to award contracts directly to it, and influence its strategic objective thus a Mutual/Social Enterprise or Trust would not be appropriate.
- It is not intended that the company would be profit driven thus a company limited by shares would not be appropriate. A "not for profit" company would be able to avail business rates relief.

LATC CREATION

Branding and Company Registration

A name and brand will be created for the company, as well as a communications plan. This will need to be subject to a formal check at Companies House to ensure it is available for use at the time the LATC is formed.

Governance

This Business Case assumes that the Council will use the provisions of section I of the Localism Act 2011 to establish the LATC as a wholly owned subsidiary company. The LATC's Articles of Association will be prepared in accordance with this section and the general legal requirements.

The LATC will be a "not for profit" company limited by guarantee and will be a wholly owned company of the Council.

The company shall be 'teckal compliant' meaning that the Council can award contracts

directly to the company without the Council having to undertake a procurement exercise.

In the case of *Teckal* (C-107/98) the ECJ established an exemption from public procurement for the award of contracts by a public authority to a separate entity provided certain requirements were met. Those requirements were that:

- The contracting authority must exercise sufficient control over the separate entity (with the test applied being that the control should be similar to that which the contracting authority exercises over its own departments); and
- The separate legal entity must carry out the essential part of its activities for its owner authority/ies ("the essential activity test").

This exemption, widely known as the "Teckal exemption", was formally codified into the 2014 EU Procurement Directive (Article 12), and thereafter in UK law under the Public Contracts Regulations 2015 (Regulation 12), which also clarified that the requirement that the separate entity carried out the essential part of its activities for the owner authority meant that at least 80% of its activity must be for that authority. Regulation 12 also confirmed the principle established in case law that there can be more than one contracting authority owner.

The company's day to day governance will be managed by a Board of Directors. The Board of Directors is likely to consist of council officers who can bring commercial and other expertise to the company.

As the Council will be the sole member of the company it will have the ability to direct the directors to take or refrain from taking specified action. Furthermore, in order to comply with the 'teckal criteria' certain key matters will be reserved for consideration by the Council/its nominated representative.

A decision will be required by Cabinet or the Leader to appoint Directors to the company; and for an individual to act as member representative for the purpose of attendance at general meetings and dealing with reserved matters.

Finances

In addition to the costs of running a leisure company, start-up costs of approximately £0.514m have been identified which includes, amongst other areas, computer systems and equipment, branding and website costs, and support costs to help set up the company.

If the Council choose not to deploy the LATC, there would be a cost of procurement estimated at around £200,000. In addition to the costs of procurement, other costs would have to be met by the Council through the contract as they will be reflected in the operators' bids for the non-recurring costs associated with a range of expenditure similar to the start-up costs.

Other Developments

A number of developments have been identified that could derive further benefits. These include-

Plympton Gym Investment- The scheme would involve enhancements generally and new gym capacity, and energy efficiency improvements.

- 270 square metre gym & store
- Fitness assessment room
- 2 x 75 square metre studios

Brickfields Investment - Approval to make the proposed alterations would require consent from Sport England and DCLL leisure trust, but could include:

- Convert the sports hall to a dedicated adventure play facility
- Convert the back store to a dedicated party area
- Create a café that serves into the play area and reception foyer
- Convert the current spin room to a power assisted gym
- Refurbish ground floor changing rooms to fitness changing
- Review options for an additional studio on floor one.

Tinside - There is an opportunity to align both Tinside and Mount Wise to the development of the National Marine Park in order to derive further investment, innovation and use.

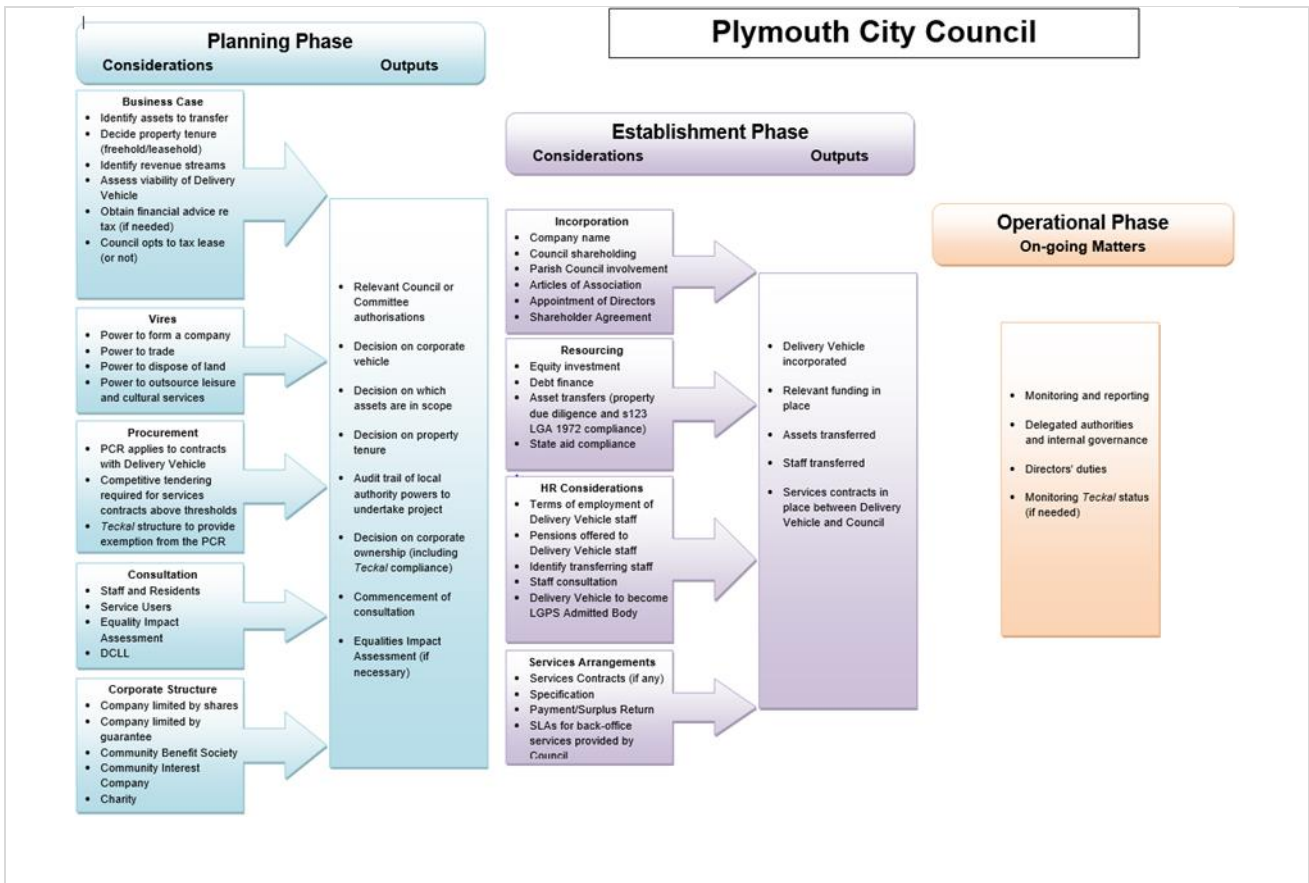
Each of these initiatives be subject to a separate Business Case.

Delivery

The following arrangements will need to be put into place to ensure the successful delivery of the proposals.

- a. Project management arrangements, including;
 - standards,
 - governance arrangements
 - roles and responsibilities
 - delivery plans
- b. Project assurance (independent and impartial reviews) at different stages of the project lifespan.
- c. Change management arrangements, if required.
- d. Benefits realisation and plans, including benefits register.
- e. Risk management arrangements and plans, including risk register.
- f. Contract management arrangements and plans, if required.
- g. Post evaluation arrangements
- h. Contingency Plan (if applicable)

Approvals by Council – Target Date	Planning Phase – 20 weeks	Operational Phase – 12 weeks required
August 2021	September 2021 – December 2021	January 2022 – March 2022



Recommended Decision

It is recommended that Plymouth City Council establishes a Local Authority Trading Company for the delivery of Leisure Services from 2022/23.

Appendix I – Alternative Delivery Vehicles (ADV)



Entity	Legal Identity Separate from its members	Limited liability of members	Scope to obtain charitable status/tax benefits as a charity	Main potential sources of funding/income	Can it distribute profits?	Asset lock	Minimum number directors/ members or equivalent	Typical use	Issues	Can it be a Co-operative?
Company Limited by Shares	Yes	yes - limited to unpaid amount on share (including premium)	No, but can be a trading subsidiary of a charity which covenants profits to parent trust/charity to obtain maximum tax advantage	Generating surpluses from trading activities or sale of assets or other income. Members own shares which they either purchase or may be given (eg through an employee share scheme). If the company is wound up, liability is for the amount unpaid on the shares.	Yes	No - but subject to maintenance of capital restrictions	At least 1 director (a natural person at least 16 years old) who may be the sole member. Members will decide the most important decisions regarding the company. Directors will carry out the day-to-day	Most common business structure and well recognised by banks and other commercial organisations as a trading vehicle.	Query use of vehicle for collaborative Teckal type venture or for social enterprise given it is set up to generate and distribute profits to investors. Permitted under trading powers and wellbeing/localism powers.	Yes

							business.			
Private company limited by guarantee	Yes	yes - limited to the amount of their guarantee	yes, if it has charitable objects satisfactory to the Charity Commission	Fund raising/ grants/donations. Trading or other income-generating activities if permitted by its objects. Borrowing if income sufficient and constitution permits.	In principle yes, but companies limited by guarantee often have a prohibition on distributing profits in the articles of association	No specific requirement but provisions with such an effect could be included in memorandum and/or articles of association.	At least 1 director (a natural person at least 16 years old) who may be the sole member. A registered trust will usually have a number of trustee directors.	Proposals requiring the body to own land or other assets, enter into contracts, employ staff, hold a bank account and/or borrow money.	Recognised entity for a not for profit distributing enterprise where asset ownership and contracting envisaged, a degree of continuity is sought and/or there are benefits in limiting liability. Permitted under trading powers and localism/wellbeing etc.	Yes

<p>Community interest company (CIC)</p>	<p>Yes</p>	<p>yes - may either be limited by shares or guarantee</p>	<p>No</p>	<p>Similar to company limited by guarantee or other private company, but scope for raising equity and debt capital is restricted by their community interest objectives and limitations on dividends and interest payments.</p>	<p>Dividends paid by CICs are subject to limits set by the Secretary of State.</p>	<p>Articles must include an 'Asset Lock' as set out in the CIC Regulations 2005. Assets can only be transferred at full market value. Assets remaining on dissolution protected for the community</p>	<p>As for company limited by guarantee, shares or any other private company.</p>	<p>Intended for social enterprises that wish to use assets and profits for public benefits, with mandatory asset lock and controls on dividends to reassure potential participants, donors or investors.</p>	<p>Basically a limited company with an added 'overlay'. Doubtful whether additional costs and complexity justified by benefits over other forms. Permitted under trading powers but unlikely to be suited to public/public collaborative ventures.</p>	<p>Yes</p>
<p>Industrial & provident Society (IPS) for Community Benefit (BenCom)</p>	<p>Yes</p>	<p>yes - members' liability limited to the amount unpaid on shares</p>	<p>Cannot register as a charity but if meets charitable criteria it may benefit from 'exempt charity' status and obtain tax benefits</p>	<p>Equity investment, grants, fundraising, trade or other income-generating activities and borrowing dependent on constitution.</p>	<p>Generally it is a requirement of registration with the FSA that a BenCom should not distribute profits to members but retain them for the benefit of the community</p>	<p>Such provisions could be included in the BenCom's constitution.</p>	<p>Every IPS/BenCom must have a committee of management (sometimes called 'directors') and a secretary. Generally a minimum of three individuals</p>	<p>BenComs are one of the two forms of IPS which can be registered under the 1965 Act and are organisations with social objects to run a trade or business for the</p>	<p>Organisations which conduct an industry, business or trade for the benefit of the community. There must be special reasons why they cannot register as a company. In practice they are used less frequently than companies though</p>	<p>Yes</p>

					y		plus a secretary.	benefit of the community	permitted under trading powers.	
Limited Liability Partnership (LLP)	Yes	yes - limited to capital treatment	No	Generating surpluses from trading activities or sale of assets or other income.	Yes	No	The LLP owns the business and is liable for its own liabilities. Each member acts as an agent for the LL which will be responsible for all its members' actions. Members not liable (except where negligent) beyond the amount they have committed to contribute to the LLP.	Increasingly common business structure recognised by banks and other commercial organisations as a trading vehicle.	LLPs are first choice for professional partnerships elsewhere.	Yes

EQUALITY IMPACT ASSESSMENT

Strategic Business Case, leisure management options V 5 28.7.2021



STAGE I: WHAT IS BEING ASSESSED AND BY WHOM?

What is being assessed - including a brief description of aims and objectives?

Plymouth City Council (the Council) needs to determine how the leisure centres should be operated beyond the expiration of the Contract with the current external provider. This process commenced in the early spring of 2020, but ceased when the national leisure sector stopped operating under Government legislation.

The existing Leisure Contract comes to an end 31 March 2022. A Business Case considering future options has been developed in collaboration with Fathom Consultancy, an expert in the Leisure Industry. This has recommended the establishment of a Local Authority Trading Company.

The Scope:

- **Plympton Swimming Pool**
- **Plymouth Life Centre**
- **Tinside Lido**
- **Mount Wise Pools**
- **Brickfields sports centre and recreation grounds**

Objectives – Plymouth to be the most active coastal city by 2034

- improving the quality of leisure facilities and services by delivering better social outcomes, e.g. to meet new policies in the Plymouth Plan and Towards an Active Plymouth (effectiveness);
- improving the delivery of leisure facilities and services through better use of inputs and outputs (efficiency);
- reducing the costs of providing the leisure facilities and services (economy);
- ensuring the Council is able to meet legal, regulatory or organisational requirements and accepted best-practice (compliance and conformance);
- averting service failure and partial service failure and providing business continuity

	<p>(replacement).</p> <p>Evidence for the contribution of physical activity, sport, and leisure on healthy and thriving communities is overwhelming. This is due to the established synergy between physical movement, social connection, educational attainment, economic growth, community resilience and disease prevention.</p> <p>Plymouth is generally an active city, but it has an underlying challenge: inactivity levels are higher than the Devon and national averages with more than one in four adults not active at all (i.e. sedentary). While this is a stark challenge, the city has good foundations from which to 'level the playing field'. It has an established commitment to tackling inequality, some of the best green, blue and built assets in the UK, and the intent to 'unlock' them.</p> <p>One of the main drivers for changing to an LATC model elsewhere in the UK¹ has been the requirement to completely redesign and realign the operation of the leisure centres to the new strategic priorities of the Council; including addressing health inequalities and targeting the most vulnerable members of the community.</p> <p>The Plymouth Plan 2014-34 remains the overarching plan for the City and the effective operation of the leisure centres will make major contributions to the following strategic outcomes;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy HEA3 Supporting adults with health and social care needs.</td> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy HEA4 Playing an active role in the community.</td> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy HEA5 Delivering strong and safe communities and good quality neighbourhoods.</td> </tr> <tr> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy HEA6 Delivering a safe, efficient, accessible, sustainable and health-enabling transport system.</td> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy HEA7 Optimising the health and wellbeing benefits of the natural environment.</td> <td style="background-color: #0070c0;"></td> </tr> <tr> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy GRO1 Creating the conditions for economic growth.</td> <td style="background-color: #0070c0; color: white; padding: 5px;">Policy GRO5 Enhancing Plymouth's sporting facilities.</td> <td style="background-color: #0070c0;"></td> </tr> </table>	Policy HEA3 Supporting adults with health and social care needs.	Policy HEA4 Playing an active role in the community.	Policy HEA5 Delivering strong and safe communities and good quality neighbourhoods.	Policy HEA6 Delivering a safe, efficient, accessible, sustainable and health-enabling transport system.	Policy HEA7 Optimising the health and wellbeing benefits of the natural environment.		Policy GRO1 Creating the conditions for economic growth.	Policy GRO5 Enhancing Plymouth's sporting facilities.	
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Author	Liz Slater									
Department and service	Strategic Co-operative Commissioning Department, People Directorate									
Date of assessment	16/7/2021									

¹ According to feedback received during research into the development of the LGA guide to leisure insourcing

STAGE 2: EVIDENCE AND IMPACT

Protected characteristics (Equality Act)	Evidence and information (eg data and feedback)	Any adverse impact See guidance on how to make judgement	Actions	Timescale and who is responsible
Age	<p>Sport England Active Lives research identifies that age is a key determinant in an individual's level of physical activity</p> <p>The Chief Medical Officer defines an inactive person as someone who, over the course of a week, does not achieve a total of 30 moderate intensity equivalent minutes of physical activity.</p> <p>Just 18% of 16-34-year-olds are inactive, but this figure rises to 27% of 55-74-year-olds and 49% of over 75s.</p> <p>Of the 263,000 people living in Plymouth 18% are aged under 15 years old with an equivalent amount (18%) aged over 65 years old. The remaining 64% of people are adults of working age.</p> <p>As a result of the restrictions only 21% of children are meeting the CMO guidelines and being active for 1 hour a</p>	No adverse impact.	<p>Adoption and monitoring of PCC's Equality and Diversity Policy.</p> <p>Staff training.</p> <p>Develop and promote a range of opportunities that meets the needs of specific age groups.</p>	<p>Training to be delivered to all staff within 1 month of establishing the LATC. Immediate adoption of policy.</p> <p>Monitoring of physical activity opportunities for the people of Plymouth and review of activity programmes within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p>

	<p>day, as opposed to 47% pre-covid.</p> <p>58% of adults say they'd like to continue new physical/sporting activities or habits they've found during lockdown once restrictions are lifted. However 38% of adults are now doing less activity than before Covid and 32% of those aged 65+ have not been active at all.</p>			
<p>Disability</p>	<p>Weekly participation in sport among people (aged 16yrs plus) with a long term limiting illness, disability or infirmity is around half the general population level (at 17.2%) * Sport England data</p> <p>Disabled people are more likely to be physically inactive than non-disabled people. This is significant for Plymouth as nearly one in three (32%) of residents report that their day to day activities are limited by a health problem or disability. (Physical Activity Needs Assessment Plymouth March 2019)</p> <p>People with a disability or LTHC have been particularly affected by the restrictions</p>	<p>No adverse impact.</p>	<p>Adoption and monitoring of PCC's Equality and Diversity Policy.</p> <p>Staff training.</p> <p>Develop and promote a range of opportunities that enable people to exercise independently.</p> <p>Work with local networks/ organisations and look to provide enhanced support to disability groups to overcome barriers to exercise.</p> <p>Support campaigns such as We Are Undefeatable.</p>	<p>Training to be delivered to all staff within 1 month of establishing the LATC. Immediate adoption of policy.</p> <p>Monitoring of physical activity opportunities for the people of Plymouth and review of activity programmes within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p> <p>A new LATC will work to ensure that equality of assess and participation is a key service delivery outcome.</p>

	<p>implemented as a result of COVID19 and many will have been shielding.</p> <p>People with long-term health conditions have been consistently more worried about leaving home to be active and are more likely to be concerned about returning to activities they used to do – only 29% of those with long-term conditions said there was nothing they were worried about.</p> <p>This group is under-represented in sport and are twice as likely to be inactive compared to those without a disability.</p>			
<p>Faith/religion or belief</p>	<p>The facilities will be available to those of all faiths, religions or beliefs.</p> <p>People who state they have no religion are more likely to be physically active compared to those that belong to a faith group.</p> <p>For example, amongst those practising a religion, those of a Buddhist, Christian, Jewish or Sikh faith are more likely to be physically active. In contrast, activity levels are lowest</p>	<p>No adverse impact.</p>	<p>Adoption and monitoring of PCC’s Equality and Diversity Policy.</p> <p>Staff training.</p> <p>Develop and promote a range of opportunities that enable people to exercise independently.</p> <p>Work with local networks/ organisations and look to provide enhanced support to faith groups to overcome barriers to exercise.</p>	<p>Monitoring of physical activity opportunities for people of different faiths, within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p>

	<p>amongst those who practise Islam.</p> <p>Christianity is the biggest faith in the city with more than 58% of the population. In Plymouth 33% of the population state they have no religion. All other religions account for less than 2% of the population.</p>			
<p>Gender - including marriage, pregnancy and maternity</p>	<p>Men play more sport than women and participation amongst women diminishes with age. Whilst the latest Active People Survey (10 Dec 2015) highlights that the gender gap is closing there continues to be a requirement to positively target women to ensure equity of take up.</p> <p>In Plymouth there is a 50/50 split in gender. Of those aged 16 and over, 43% are married, 37% are single and 11% are divorced. There are approximately 2,800 births per year.</p> <p>39% of women are not active enough to get the full health benefits of sport and physical activity, compared to 35% of men.</p>	<p>No adverse impact.</p> <p>Women and girls are under-represented in sport and physical activity, so many opportunities/campaigns promote positively discriminate in their favour.</p>	<p>Adoption and monitoring of PCC's Equality and Diversity Policy.</p> <p>Staff training.</p> <p>Work with key agencies such as Sport England 'this girl can' and other targeted programmes. Continuation of Sports Development Unit's parent and child programmes.</p> <p>Develop and promote a range of opportunities that enable people to exercise independently.</p> <p>Support campaigns such as This Girl Can.</p>	<p>Training to be delivered to all staff within 1 month of establishing the LATC. Immediate adoption of policy.</p> <p>Monitoring of physical activity opportunities for the people of Plymouth and review of activity programmes within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p>

<p>Gender reassignment</p>	<p>It is estimated that there may be 10,000 transgender people in the UK.</p> <p>There were 26 referrals from Plymouth made to the Newton Abbott clinic, the nearest clinic, in 2013/14.</p> <p>The average age for presentation for reassignment of male-to-females is 40-49.</p> <p>For female-to-male the age group is 20-29.</p> <p>23 transgender people belong to the Plymouth Pride Forum.</p> <p>There are no official estimates for gender reassignment at either national or local level. However, estimates suggest that between 300,000 and 500,000 people aged 16 or over in the UK are experiencing some degree of gender variance.</p> <p>Reports from the OutYouth Group in Plymouth show a steady increase in Trans members, It is currently estimated that 35% of the total number of young people looking to access the OutYouth Group are presenting within the Trans spectrum.</p>	<p>No Adverse Impact</p>	<p>Adoption and monitoring of PCC's Equality and Diversity Policy.</p> <p>Staff training.</p> <p>Develop and promote a range of opportunities that enable people to exercise independently.</p>	<p>Training to be delivered to all staff within 1 month of establishing the LATC. Immediate adoption of policy.</p> <p>Monitoring of physical activity opportunities for the people of Plymouth and review of activity programmes within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p>
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	<p>A study by the National LGB&T Partnership in 2016 found that 64% of LGBT people who identified as something other than male or female were not active enough to maintain good health.</p>			
Race	<p>The facility will be available to all regardless of racial background.</p> <p>There are currently up to 300 asylum seekers and refugees in Plymouth at any one time and who have limited access to sports facilities.</p> <p>93% of our population is White British. Our Black, Asian and Minority Ethnic (BAME) communities (7% of the population) are very diverse. The Polish, Chinese and Kurdish communities are amongst the largest.</p> <p>People from a BAME background are more likely to be inactive than adults who are White British.</p>	<p>No adverse impact.</p>	<p>No Action required.</p> <p>Develop and promote a range of opportunities that enable people to exercise independently.</p> <p>Work with local networks/ organisations and look to provide enhanced support to BAME groups to overcome barriers to exercise.</p>	<p>Training to be delivered to all staff within 1 month of establishing the LATC. Immediate adoption of policy.</p> <p>Monitoring of physical activity opportunities for the people of Plymouth and review of activity programmes within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p>
Sexual orientation -including civil partnership	<p>The facility will be available to all regardless of sexual orientation.</p>	<p>No adverse impact.</p>	<p>No Action required.</p>	<p>Training to be delivered to all staff within 1 month of establishing the LATC. Immediate adoption of policy.</p>

	<p>There is no precise local data on sexual orientation in Plymouth, but based on the ONS Annual Population Survey 2017 estimates there are approximately 3,649 LGB people in the city (1.7%).</p> <p>A study by the National LGB&T Partnership in 2016 found that 55% of LGBT men and 56% of LGBT women were not active enough to maintain good health.</p>		<p>Develop and promote a range of opportunities that enable people to exercise independently.</p>	<p>Monitoring of physical activity opportunities for the people of Plymouth and review of activity programmes within 3 months of establishing the LATC. Where required make reasonable adjustments to the activity programme.</p>
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STAGE 3: ARE THERE ANY IMPLICATIONS FOR THE FOLLOWING? IF SO, PLEASE RECORD ACTIONS TO BE TAKEN

Local priorities	Implications	Timescale and who is responsible
Reduce the gap in average hourly pay between men and women by 2020.	N/A	Data awaited in this area. Review will be undertaken as part of the work of the LATC
Increase the number of hate crime incidents reported and maintain good satisfaction rates in dealing with racist, disablist, homophobic, transphobic and faith, religion and belief incidents by 2020.	N/A	N/A
Good relations between different communities (community cohesion)	<p>The project will deliver against Strategic objective 1: delivery of a healthy city; to integrate health and wellbeing, promote choice and personal responsibility, formulate health-enabling local policy and develop good quality local services. This will be achieved by: supporting and sustaining a vibrant sports sector and creating excellent opportunities for physical activity this project will support improved health and wellbeing for the City.</p> <p>Sport is widely seen as a way for people of different backgrounds to interact and integrate by taking part, volunteering and spectating.</p>	N/A

	<p>We work in partnership with a variety of groups/ networks that work with and support protected characteristic groups in the city e.g. Devon and Cornwall Refugee Support Council, Plymouth Special Olympics, Eldertree, Transforming Plymouth Together.</p>	
<p>Human rights Please refer to guidance</p>	<p>No implications.</p> <p>Our vision is for Plymouth to be a vibrant, active, healthy city where an outstanding quality of life is enjoyed by everyone. We our sporting facilities to provide people with the opportunity to participate in and benefit from sport and physical activity whether it be for fun, for health, to learn, to enjoy the natural environment or to excel.</p>	<p>N/A</p>

STAGE 4: PUBLICATION

Responsible Officer - 

Date: 3rd August 2021

Director, Assistant Director or Head of Service

The following relates to exempt or confidential matters (Para(s) 3 of Part 1, Schedule 12A of the Local Govt Act 1972). Any breach of confidentiality could prejudice the Council/person/body concerned & might amount to a breach of the councillors /employees codes of conduct.

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