

TITLE OF REPORT: **Health and Wellbeing Group Review –
Leisure Services Proposed Timeline**

REPORT OF: **Alice Wiseman, Director of Public Health**

Purpose of the Report

1. To seek Cabinet approval to continue to consult further on future Leisure Services in Gateshead, and to agree a timeline of activity as set out in Appendix 2.

Background

2. In 2015, Cabinet agreed that within the period of the Council plan (2020), Leisure Services would achieve the position of no longer being directly subsidised by Gateshead Council and would be returning income to the Council to invest in Gateshead priorities. This has not been achieved.
3. In February 2021, the Public Health and Wellbeing Group (PHWB) Group commenced a review of its services (including Leisure Services) to ensure they support the delivery of the Gateshead Health and Wellbeing Strategy and to achieve required savings of £1.2million within the PHWB Group.

Scale of the Challenge

4. The Council's Leisure Services as currently configured is not financially viable. Pre-COVID, the service was costing the Council approximately £2.9m annually and running an overspend of around £250k.
5. This situation has worsened significantly during the pandemic due to lockdown closures, staff redeployment, and associated loss of income. Whilst offset by a reduction in expenditures in staff and utility costs, and some national COVID funding, the budget for 2021/22 is £1.645m (after removal of £0.300m savings) showing a projected outturn of £4.379m resulting in an estimated overspend of £2.734m.
6. For 2022/23, shortfall in income based on current projections is estimated between £1.5m - £3.3m (based on 50%-80% income 2019/20). All projections are assuming no further national or regional lockdowns.
7. The provision of leisure facilities is not a statutory requirement on the Council and councillors have asked for all potential future options for provision to be examined.

Next steps

8. To address this challenge several key pieces of work need to begin as soon as possible and run in parallel with the aim of informing decision making by councillors. Work would include:
 - i. Implement a range of short-term actions to stabilise current service provision as soon as possible to improve quality and efficiency, while improving outcomes for residents.
 - ii. Review of each individual centre and its costs
 - iii. Continued consultation with the public on their preferred use of available leisure time and their current use of facilities
 - iv. Informal consultation with employees on potential future provision
 - v. Explore all options for future operating models.

Recommendations

9. It is recommended that Cabinet:
 - i. Approves the next steps outlined above
 - ii. Approve timeline for actions as set out in appendix 2 to the report.

For the following reason:

To inform the future provision of Leisure Services in Gateshead.

Policy Context

1. Local authorities are statutorily required to provide Public Health programmes to improve the health of the local population, to the extent that they consider appropriate in their areas. As part of the Public Health and Wellbeing (PHWB) Group, leisure services must equitably contribute to improving health and wellbeing and reducing inequalities across the Gateshead population.
2. In October 2021, Cabinet approved the Medium-Term Financial Strategy (MTFS) 2022/23 to 2026/27 which recognises a very challenging financial position over the medium term, with an estimated revised financial gap over the five-year period of £63m including COVID impacts. Efficiencies and savings of £45m will be required over the medium term. It is essential these are delivered to ensure the financial sustainability of the Council.

Alternative Options

3. The review is considering options to deliver the savings agreed as part of the 2021/22 Council Budget.

Consultation

4. All Cabinet Members have been consulted on the contents of this report.

Implications of Recommended Option

5. Resources

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms that there are no direct financial implications resulting from this report. Any financial implications will be brought to Cabinet at a later date.
- b) **Human Resources Implications** – At this stage there are no direct HR implications resulting from this report. Any direct HR implications will be brought to Cabinet at a later date.
- c) **Property Implications** – At this stage there are no direct property issues resulting from this report. Any direct property implications will be brought to Cabinet at a later date.

6. **Risk Management Implication** – There are no risk management implications resulting directly from this report. A future report will detail, if necessary, options for further service review and the risk of non-compliance with statutory duties.
7. **Equality and Diversity Implications** – There is evidence from previous reviews that the leisure service is used by specific protected groups, including young people, older residents and residents with disabilities. Any change in delivery has the potential to have an impact on equality and diversity. An Integrated Impact Assessment for any change proposals resulting from this consultation will

be prepared which will help us to define and understand any potential impact on service users with protected characteristics.

8. **Crime and Disorder Implications** – There are no crime and disorder implications arising from this report.
9. **Health Implications** – The leisure service contributes to health and well-being. Any proposed future model must have the potential to develop positive health outcomes
10. **Climate Emergency and Sustainability Implications** – There are no sustainability implications arising from this report
11. **Human Rights Implications** – There are no human rights implications arising from this report
12. **Ward Implications** – The views of the public and local councillors will be a part of the consultation process and will be detailed to Cabinet in a subsequent report. Ward councillors will be consulted, and public meetings held in the associated buildings as a part of the public consultation process.

Timeline - Health & Wellbeing Leisure Services

	Date	Milestones	Key Tasks	HR Implications
Dec	underway	Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of existing Leisure facilities.	Ongoing development of report/ information pack outlining all available options for future provision to inform councillor decisions	
	underway	Procurement	Begin procurement process for development of Indoor Facilities Strategy and Playing Pitch Strategy linked to Health and Wellbeing Strategy.	
	underway	Management Appraisal Options	FMG to provide Management Appraisal Options to Director of Public Health	
	underway	FMG meet with Leisure Services	Begin process of 'deep dive' into operating model. Aim is to implement changes in short-term to improve quality of provision/performance and to inform analysis	
Jan	TBC and ongoing		Commence ongoing engagement with councillors on process/address queries	
	27-Jan-22	Continue public consultation	Survey on leisure activities and use of facilities launched	Informal employee consultation to run parallel - survey to be circulated across workforce and recorded separately.
Feb	24-Feb-22	End public consultation	Public Consultation ends. Public Health to analyse response	
Mar/ Apr	w/c 21 Mar	Ward Councillor meetings	Discuss progress of review, including public consultation.	
May		Finalise proposals	PHWB Management	

			team to finalise proposals following feedback	
	24 May 22	Report to Cabinet	Provide report following Councillor feedback/views on recommended available options.	
June	22 June *provisional dates pending approval of calendar of meetings 22/23.	Report to Cabinet	Provide report to agree final proposals	
	23-Jun-22	Commence public consultation	Formal consultation on proposals for future leisure provision	
	23-Jun-22	Commence formal employee consultation	Consult on the potential implications of proposals.	Consultation will depend on the nature of the proposals. Separate timelines will be provided, as appropriate once proposals are firmed up.