

Agenda Item 8

**Falkirk Council/Falkirk Community
Trust Joint Working in Culture &
Sports Provision**

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Falkirk Council

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Meeting: **Falkirk Council**

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Author: **Chief Executive**

1. Introduction

- 1.1 This report provides an update on the joint working activity between the Council and Falkirk Community Trust (FCT) and proposes a range of measures to sustain and improve culture and sport provision within Falkirk.
- 1.2 Subject to members approving the recommendations in this report it will be used as a framework by the Joint Working Group to develop a five year investment and savings plan to be submitted by FCT as part of their annual business plan. The plan would describe in detail the actions required to complement the Council's Five Year Business Plan and Strategic Property Review (SPR). It will include:
 - high level proposals for investment in key Trust managed sites to sustain and develop a high standard of culture and sport provision;
 - outline proposals from interested parties willing to contribute to joint or sole management or transfer of existing Trust facilities along with an assessment of deliverability and timescale; and,
 - specific proposals for asset rationalisation for approval by the Council aligned with its implementation of the SPR.
- 1.3 These proposals would be supplied on the clear understanding that the Council will look to allocate significant capital funding to improve culture and sport assets. This capital investment is required to ensure that FCT's savings targets are met through investment in the income generating areas of its business.

2. Recommendations

2.1 It is recommended that Council:-

- a) **Acknowledges the positive collaboration that has taken place between the Council and the Trust in this work;**

- b) Agrees that there is a need to invest in and retain core culture and sport assets that can function with a significantly reduced level of funding from Falkirk Council and meet customer needs.;
- c) Agrees that the investment proposals outlined in this report be developed further for inclusion within the Trust business plan to be submitted in November 2019
- d) Agrees that a programme of work be undertaken to identify adaptation and improvement requirements at secondary schools to facilitate improved community access
- e) Agrees that a specific development proposal be taken forward to identify proposals to enhance community leisure provision and access at Bo'ness Academy
- f) Agrees that further work be undertaken to assess these proposals in the context of the Council's capital investment plans
- g) Notes the proposals to continue to engage with clubs and groups interested in increasing their role in managing assets and work with these groups to prepare a forward programme;
- h) Notes the intention to develop proposals in relation to future library provision;
- i) Notes that the Trust's Business Plan will be predicated on the delivery of these proposals.

3. Background

- 3.1 At its meeting of 19 September 2018, Council agreed that the current arrangements with the Trust be maintained at the present time and that the Policy Development Panel recommendations be used as a basis to develop a stronger and more effective partnership with the Trust. It was agreed that the Council be updated on progress at its meeting in June 2019.
- 3.2 This work was to be progressed by a Joint Working Group consisting of elected members, representatives from the Trust Board and officers. The first priority in the joint work was to establish a shared vision and high level outcomes between the Council and the Trust (informed by the Corporate Plan) and the outcome of this work was reported to Council at its meeting on 5 December 2018. At this meeting, the Council agreed the joint vision document and an interim work plan based on 5 core tasks. The most critical element of this was to take forward joint medium term business planning to help identify a savings and investment plan for the next five years and this was supported by a Joint Medium Term Business Planning Group consisting of officers from both the Council and the FCT.
- 3.3 The progress on each of the core tasks is as follows:

Task 1: Organise a Strengths, Weaknesses, Opportunities and Threats (SWOT) joint workshop to develop shared priorities and framework for

Joint working.

The Joint Working Group was of the view that the work undertaken to date has moved the group beyond this task. Accordingly, the Joint Working Group took the decision to suspend this task and review at a future date.

Task 2: Undertake Joint Medium Term Business Planning

The Council is seeking to reduce the subsidy to the Trust by £5.3m over the next five years. This is to be progressed in the context of improving access to culture and sport, improving health and well-being, securing investment in strategic buildings and enabling continued community engagement. As such, through the early development phase of the investment and savings plan, this report aims to fulfil the requirements of this task.

Task 3: Conduct a joint review of NPDO/PFI schools' leisure facilities

The Joint Working Group commended efforts by the Trust, the Council and Braes High School aimed at opening the school up to broader community use. It confirms that this is a valuable way forward for the delivery of community based leisure provision by FCT. Work continues to promote FCT (and related) activity at Braes HS and other schools as community campuses. It confirms that further work needs to be carried out to prepare a brief for the development of the proposed campus approach using the secondary school estate.

Task 4: Explore how we can further improve joint working arrangements to develop tourism locally, including be clear on respective roles.

The Chief Executive of the Trust and the Council's Growth and Investment Manager delivered a joint presentation to the Joint Working Group in April 2019 setting out the discrete tourism remits of Falkirk Council and FCT. This acknowledged the Council's role in establishing the strategic context and framework for efforts to promote tourism involving a wide range of partners and the role of FCT in managing a range of tourism assets to help attract visitors to the area. It was acknowledged that over the past 20 years, developments such as the Falkirk Wheel, Callendar House, the Hippodrome and the Helix, have transformed the Falkirk tourism offer and brings a wealth of opportunities to increase visitor numbers.

The Council and FCT will continue to work collaboratively to raise the profile of the Falkirk area for tourism and economic development. The Joint Working Group agreed that efforts should be focused on developing linkages through the recently formed VisitFalkirk Tourism partnership.

Task 5: Use the Policy Development Panel recommendations as the basis for the next stages of joint working.

It was agreed that this task will be reviewed at a future Joint Working Group meeting when progress will be assessed.

4. Strategic Context for a review of Culture and Sport Assets

- 4.1 The Council will spend c£2.58bn in the next five years but anticipates that a reduction in its annual revenue budget of £76m is likely to be required from the General Fund budget by the end of that period. This will require an unprecedented scale of ambition and transformation to meet the financial challenges.
- 4.2 The Council's Business Plan has been developed in the context of the long term strategic direction set out in the Falkirk Community Planning Partnership's Strategic Outcomes and Local Delivery (SOLD) Plan and Council's Corporate Plan. The five-year Business Plan brings together the key strategies including the Medium Term Financial Plan (MTFP), and Council of the Future programme of change to deliver on the SOLD / Corporate Plan priorities and outcomes. The Council's MTFP sets out a savings allocation to the Trust over the five years as follows:

2019/20:	£300k
2020/21:	£1.25m
2021/22:	£1.25m
2022/23:	£1.25m
2023/24:	£1.25m
Total:	£5.3m

- 4.3 The Trust's Business Strategy 2019-2024 focuses on:
- meeting customer needs;
 - ensuring financial viability, and
 - advancing leadership and partnership-working opportunities.
- It was approved by the Council in February this year and drives the annual business planning process.
- 4.4 Importantly, recognising the important health & wellbeing contribution made by FCT, linkages with the Health and Social Care Partnership (HSCP) Strategic Plan and transformational change programme also shape the policy context. Successful joint working between Trust and the HSCP is evidenced around the shared strategic agenda. The related

resource implications remain at an early stage of development, but the commitment and contribution of the HSCP and the Integration Joint Board (IJB) to this programme is of fundamental importance. This work is expected to make a positive contribution to addressing the health improvement plan and assist the Trust in developing its focus for future work in this area.

- 4.5 The Strategic Property Review is an important transformational programme to assist delivery of Council of the Future objectives. It is a key element of the Transformational Enablers workstream in the Council's Business Plan. A set of principles for delivery of the SPR were approved by Council in December 2016. These promote rationalisation of the Council's property assets, focusing service delivery in a reduced number of better quality assets:

Strategic Property Review: Principles

- a) *Services will be provided on a more integrated basis, sharing spaces and resources*
- b) *Staff should be able to work flexibly from a range of locations*
- c) *Increased use of online services*
- d) *Less ad hoc customer access to services*
- e) *Centralising back-office and HQ related functions*
- f) *Localising front-facing service delivery via locality and community hubs*
- g) *Non-specialist facilities should be shared wherever possible*
- h) *Increase in shared use of space in schools*
- i) *Invest in Council owned assets, minimising the use of leased in properties*
- j) *Retain properties that are subject to recent investment, those in best condition and which offer greatest flexibility of use*
- k) *Adaptations need to be funded from property savings/disposals*
- l) *Early disposal of properties that do not meet the above considerations*
- m) *Consideration of community asset transfer, aligned with the community empowerment model in development*
- n) *Reinforcement of a corporate approach to asset management to achieve these changes.*

- 4.6 The school estate is considered as the focus for future community based service delivery. A locality planning exercise is taking place to identify the future focus of asset provision at community level. Through this the SPR seeks to achieve an increase in shared use of space in communities (particularly schools) to deliver services and support delivery by FCT and other community organisations. By working with Children's Services, the Trust, and appropriate partners the aim is to rationalise assets through:

- A focus on the creation of genuine community 'campuses' at each secondary school
- disposing of poor quality, underutilised properties
- enabling community organisations to be more directly engaged in the management and operation of community facing assets

4.7 Work on the SPR is underway at present with a view to reporting to Executive in the Autumn. This will provide an updated Property Strategy and action plan with proposals on the way forward for the Council's property estate. It is intended that this will inform the Council's future capital investment plans for its properties (including those leased by FCT) as well as a programme of disposal and/or transfer for management by community organisations. This latter aspect will be closely aligned with the Enabled Communities workstream in the Business Plan.

5. Developing specific proposals relevant to the Trust managed portfolio.

5.1 The Joint Working group recognises that in order to establish the investment requirements it should take cognisance of the following:

- Access to, and participation in, Culture and Sport programmes and opportunities are vital to improving health and well-being;
- The perception of quality of life and the ambition of the area are demonstrated through culture and sport provision;
- Communities want and need a diverse programme of culture and sport opportunities;
- Some of the facilities that the Trust operates contribute significantly to the area's tourism profile;
- Clubs, groups and associations rely heavily on the Council / Trust for access to appropriate facilities for their use;
- The Council and the Trust are the main providers of the assets that are used for culture and sport;
- Some facilities could become capable of operating at zero public subsidy;
- The Trust's Business Strategy is to be operating from fewer but higher performing assets;
- Investment is required in Council facilities to be operated by the Trust to enable a reduction in the public subsidy;
- The Trust aims to be a financially viable and thriving organisation in five years' time.

5.2 The Joint Working Group acknowledges that FCT and the Council need to:

- reduce the number of venues within the portfolio;
- improve the condition, quality and suitability of venues retained;
- ensure an appropriate mix of culture and sport facilities is maintained to meet strategic objectives;
- recognise that as more operators emerge within the fitness and recreation market, the scope for competition increases. This poses a risk to the ability to reduce public subsidy in the facilities that have higher overheads;

- recognise that Culture and Sport has a dual role in improving health and well-being and in raising the image and profile of the area as a great place to live, work and visit.

6. Conclusions from the Joint Working group

- 6.1 Having regard to this context the Joint Working group agreed the importance of:

Investing in and retaining core Culture and Sport assets that can function with a significantly reduced level of funding from Falkirk Council and meet customer needs.

- 6.2 A number of Trust facilities have been earmarked for investment to bring them to a modern standard and ensure they are fit for purpose. This is the core proposition that has emerged from the joint work.

- 6.3 It is widely accepted that the area's culture and sport assets have been underinvested in and the proposals likely to emerge as part of this work seek to address that concern. It is anticipated that the sums involved may be in the region of £30-50m depending on the assets involved and scale of improvement required. This investment would require to be supported by robust business cases for each asset, and be clearly linked to the outcome of the locality based reviews of asset provision arising from the Locality Planning workstream. Significant investment is required at the Mariner, Grangemouth Sports Complex and the replacement of FTH with the new Arts Centre likely to be the highest cost. The other facilities noted below all require a more modest level of investment to bring them to a standard to meet customer expectation and improve their financial viability. It is anticipated that the ongoing revenue costs of the facilities identified below could potentially be met through income generation via increased usage and ongoing reviews of charges to customer:

Mariner Leisure Centre, Grangemouth Sports Complex, Grangemouth Stadium, Carron Gymnastics Centre, Stenhousemuir Gym, Helix, Callendar House and Park, Hippodrome and Falkirk Town Hall replacement Arts Centre.

- 6.4 In addition to the investment proposed for these existing assets, additional opportunities may be identified for other venues by the SPR. In particular the potential for health and wellbeing facilities in town centres incorporating for example, community health outreach services, GP provision, health and fitness facilities will be examined further by the Trust in partnership with the HSCP, NHS Forth Valley and other relevant partners.

- 6.5 In respect of Bo'ness, it is proposed that consideration be given to the expansion and reconfiguration of facilities to enhance community leisure provision at Bo'ness Academy as a priority for investment. This initiative

would provide continued community leisure provision to mitigate the potential loss of the Recreation Centre which, due to its deteriorating condition and the risk of critical plant failure, has been a cause for concern for many years. It is proposed that feasibility work and a business case is developed to assess this opportunity. This initiative should also consider the longer term options for relocation of Bo'ness Library.

7. Focusing on the secondary school estate and investing in these as core community leisure assets

- 7.1 The Council should optimise the use of the secondary school estate by developing genuine community campuses, rather than schools with limited community use. This approach would ensure that quality leisure provision is provided on a consistent basis at locality level.. This would align with other colocation projects arising from the SPR and will require investment in the school estate to make it more appropriate and compatible with shared use and community-based services, including changing facilities, reception and informal working/social spaces.
- 7.2 The priorities for immediate investment should be Braes High School, Denny High School and Bo'ness Academy, with additional investment in the other schools to be considered on a phased basis. The aim is to ensure that a network and scale of high quality community sport and leisure provision is available to respond to current and future demand. Further work is needed to assess feasibility, prepare designs and a business case for these proposals. It is envisaged that schools not included in the first phase of investment would continue to be used by organisations and clubs for regular training as there is recognition that their particular needs and expectations can be broadly met within the constraints of existing provision.
- 7.3 Within the western locality there is an opportunity to consolidate Bankier sports hall within the Bankier Primary school estate. This would ensure that the existing community use is retained and made available on a shared site.

8. Encourage community management input where the asset condition is suitable

- 8.1 The Trust has identified a number of facilities where community interest groups may be able to contribute to the success of the programmes in these locations. The long term ambition for these facilities is for the community to take a much greater role and for the Trust to reduce its contribution and the associated costs. In these situations, FCT and other Council staff will work with the community organisations to agree an appropriate management model, including, where appropriate community asset transfer. The facilities identified are:

Grangemouth Golf Course, Polmonthill Snowsport Centre, Polmont Sports Centre, Muiravonside Country Park, Kinnel Museum, Kinnel Estate, Bo'ness Town Hall, Grangemouth Town Hall and Zetland Park amenities.

9. Facilities that would no longer be operational in their current form

- 9.1 In order to achieve the required level of savings over the next five years a level of reduction in FCT's estate is inevitable. This aligns with the wider SPR approach of optimising the use of other assets within a community or the secondary school estate. These would function as community leisure assets to ensure that future community needs are met. It is likely in this context that proposals will be brought forward to dispose of the following facilities:

Denny Football Centre

Denny Sports Centre

Hallglen Sports Centre

- 9.2 The corporate property audit has found that the overall condition, suitability and versatility of these assets for alternative use is very limited. Due to backlog maintenance issues and associated remedial costs, and the format and range of facilities available, it would not be prudent to expect community groups to assume control of such assets.

- 9.3 In Denny, alternative provision is available at Denny High School and at the Dunipace Juniors facility following investment at this site supported by the Council. In addition there is the potential to incorporate health and wellbeing facilities as part of efforts to regenerate the town centre. In respect of the Hallglen community, the Council has approved an investment of £2.3m in early years provision and this, along with community level access to Ettrick Dochart Hall and Hallglen Primary is anticipated to mitigate for the loss of access to Hallglen Sports Centre. Access to the secondary schools at Falkirk High and Graeme High as well as the community managed resource at Woodlands Games Hall will also assist in meeting the sport specific needs of centre users.

10. Approach to future library provision

- 10.1 A significant level of the public subsidy directed to the Trust is allocated to supporting and maintaining the library service. The direction of travel in public service provision including libraries is, to co-locate and integrate as many services as possible to help ensure a critical mass of high quality provision within a defined geography.
- 10.2 As such, and in view of the investment proposals currently being developed for a new Falkirk Council Headquarters and Arts Centre, Grangemouth Sports Complex and Bo'ness Academy, there is an opportunity to consider

the integration of library provision with such facilities over the longer term. This would ensure that the library service is enhanced through colocation with other services, future-proofed, and remains at the heart of future community provision. It can also enable a holistic and integrated approach to the health and well being agenda through consolidation of learning, culture and sport on one campus.

- 10.3 It is recognised that the opportunities to align library provision with town centre based services and facilities also needs to be considered, particularly given concerns over the vitality of town centres and the Scottish Government's 'town centres first' principle. It is therefore intended to conduct a further exercise to assess future library needs in these communities as part of the locality based assessments taking place via the SPR.
- 10.4 Recognising the recent investment made and level of usage, it is proposed that the libraries at Denny, Meadowbank and Larbert would be retained in their current locations while a review of the libraries in Bonnybridge and Slamannan will consider the opportunities for co-location with other public services in the future.
- 10.5 Any decisions about changes to library provision must take cognisance of the Local Government (Scotland) Act 1973 which states that 'a local authority shall have a duty to secure the provision of adequate library facilities for all persons resident in their area'. Accordingly, it is likely that a full Equality and Poverty Impact Assessment (EPIA) will be required to be undertaken on all libraries prior to any decision to rationalise the library estate.

11 Consultation

- 11.1 The proposals outlined above represent an opportunity to rationalise and make significant investment to enhance the area's culture and sport assets. It will be important to garner the views of the current customers, clubs and organisations as to their aspirations in respect of such developments. The work will also be aligned with wider locality based consultation taking place in relation to the SPR and in line with the Council's Business Plan workstream on Enabled Communities. It is suggested that the opportunities being highlighted would be transformational in respect of future provision and a genuine 'step change' in approach to culture and sports activity for the area.
- 11.2 However, it is important to recognise that not all of these assets can be brought to a modern standard as remedial works are not feasible. It will be important to engage existing customers in discussions about these proposals to understand how these are likely to impact and, where necessary, to explore how their needs and aspirations may be accommodated. During months of peak average usage and demand (i.e.

between October and March) this could mean adjustments to service delivery which would be explored carefully for each asset.

- 11.3 The Council's recent work to enhance sports pitch provision achieved at school locations and through working with local clubs will make a significant contribution in mitigating the impact for football teams. Work with Children's Services in the reprogramming of activities at the high school PE facilities will assist with other sports directly affected.
- 11.4 At a community level the proposals will be considered as part of the ongoing Council wide SPR and locality based asset reviews. In preparing detailed proposals and business cases to deliver the adjusted programme and withdrawal from some sites, FCT will secure feedback on any community level proposals that come forward, particularly with regard to potential for community management of facilities.

12 Next Steps

- 12.1 In line with the Funding Agreement between the Council and the Trust there is a requirement for the Trust to submit its annual Business Plan in November each year. The Trust has traditionally included additional strategic documents for Council consideration and approval including its five year Business Strategy and Business Plan approach. In cases where early actions for investment are proposed, supporting business cases for these developments will be supplied as a basis for decision. It is proposed that in November this year the submission from the Trust would include:
 - high level proposals for investment in key sites to retain a good level of culture and sport provision as outlined above;
 - outline proposals from interested parties willing to contribute to joint or sole management or transfer of existing Trust facilities along with an assessment of deliverability and timescale; and,
 - specific proposals for asset rationalisation for approval by the Council.
- 12.2 This approach will be progressed on the clear understanding that the Council will look to allocate significant capital funding to improve culture and sport assets. This capital investment is required to ensure the Council's savings targets are met through investment in the income generating areas of the Trust business

13 Implications

Financial

- 13.1 The report sets out proposals for an approach to rationalisation and enhancement of the FCT estate. It proposes a combination of capital investment to improve existing public assets, creating opportunities for enhanced income to sustain the operation of FCT's facilities going forward and enable it to deliver savings targets.
- 13.2 While there are several exciting opportunities contained within these asset proposals, some of the proposals outlined in this report may be perceived to have an adverse impact on service provision for some communities. It is important to highlight however that, given the current economic climate the implications of failing to move forward positively with this programme is likely to have serious consequences for FCT. It will be manifested in ongoing deterioration of assets, both unexpected and systematic withdrawal and closures, reduced usage of facilities and ultimately will prevent the Trust meeting its savings target by 2024.
- 13.3 Any investment proposals will still have to be delivered within the overall capital and revenue funding envelope available to the Council over the next five years and it is proposed that a detailed assessment of the capital implications of the proposed investment be undertaken in order to give a longer term view prior to decision. These financial implications will be worked through if the proposed recommendations are approved by Members.

Resources

- 13.4 Significant effort and resources will be necessary to deliver on the Council's and FCT's five-year business plans and to align the proposed approach in the timescales suggested. It is expected that resource requirements will be identified as part of the business cases to be developed by the Joint Working Group.

Legal

- 13.5 None.

Risk

- 13.6 The backlog maintenance issues of the culture and sport assets have been widely reported and are understood by both the Council and Trust staff. Continued under-investment in key sites has left them vulnerable to service failure and reinforces the need to adopt the approach suggested in this report.

Equalities

13.7 An Equality and Poverty Impact Assessment (EPIA) will be an integral part of the project management methodology supporting the Council's five-year business plan, but is not required specifically for this report.

Sustainability/Environmental Impact

13.8 At this stage, an Environmental Impact Assessment (EIA) is not required for this report. However, sustainability and environmental implications will be an integral part of future consultation and project management methodology.

14 Conclusion

- 14.1 This paper has attempted to set out an initial plan of action that delivers upon the Council's five year Business Plan and Trust's previously approved Business Strategy that achieves a reduction in the service payment to the Trust by £5.3m by 2024. It proposes investment in retained assets that would enable the Trust to continue to grow its income to help offset the reduction in public subsidy. These proposals for the rationalisation and investment in strategically placed assets is set in the context of ongoing joint work between the Council and the Trust to deliver the outcomes of the SPR, local community planning and the Joint Business Planning group to develop a shared way ahead.
- 14.2 It is in this context that members are invited to consider the outputs and feedback from all of the above work and agree the approach to investment being suggested. This will confirm those sites that should be enhanced and developed for the longer term, those that might have greater community input to their management and operation, and those that might be either closed or reconfigured for a different purpose. The outcome of this work would help inform the Trust's Business Plan for 20/21 and beyond.
- 14.3 The approach outlined in this report represents an opportunity to make a step change in the Council's approach to investment in culture and sport. It is informed by a determination to improve the quality of service provision for those most in need, while simultaneously ensuring that FCT can:
- safeguard and maintain the vibrancy and vitality of our most strategically important facilities, against a backdrop of ongoing financial pressure.
 - offer unique opportunities to integrate FCT's services with other partners
 - optimise usage of the secondary school estate as community campuses,
 - enable alternative service delivery options that involve clubs and organisations, and

- create the opportunity to assist communities to make the shift from a culture of entitlement to one of empowerment by encouraging greater community ownership and involvement and their management of suitable assets
 - generate opportunities to enhance and develop the collaborative work with the HSCP
- 14.4 There is a genuine collaborative spirit and collective will shown in the shared vision working group and it is hoped that this can deliver greater understanding and agreement about how this plan can move forward to ensure that the area has a vibrant culture and sport offer in the future. The alignment of this approach with the outcomes of the SPR and the Council's future capital investment plans will also need to be considered in order to enable the commitments necessary for investment in the culture and leisure estate. A number of specific proposals included within this paper will require collaborative working with the community, clubs and groups and both the Council and FCT are committed to taking this forward. The output of this work in the form of FCT's business plan and supporting business cases for decision will be the subject of a further report to Council in December.

Chief Executive

Date: 14 June 2019

List of Background Papers:

Falkirk Council/Falkirk Community Trust Joint Working Group files.