

DECISION NOTICE OF AN INDIVIDUAL MEMBER OF GWYNEDD COUNCIL CABINET

DATE OF DECISION 30 March 2020

DATE DECISION PUBLISHED 30 March 2020

DATE DECISION WILL COME INTO FORCE and implemented,
unless the decision is called in, in accordance with section 7.25 of
the Gwynedd Council Constitution 6 April 2020

Cabinet Member - Councillor Gareth Thomas, Cabinet Member for Economy and
Community

SUBJECT

Byw'n Iach Ltd, Business Plan 2020-21

DECISION

To approve the Byw'n Iach Ltd. Business Plan 2020-21 in accordance with the agreement
with Gwynedd Council which means that fees would rise by an average of 3.55%.

REASON WHY THE DECISION IS NEEDED

Please see attached report

DECLARATIONS OF PERSONAL INTEREST AND ANY RELEVANT DISPENSATIONS APPROVED BY THE COUNCIL'S STANDARDS COMMITTEE

None

ANY CONSULTATIONS UNDERTAKEN PRIOR TO MAKING THE DECISION

Consultation with
Gwynedd Council Statutory Officers

The results of the consultations are reported upon in the attached report

DECISION NOTICE OF AN INDIVIDUAL MEMBER OF GWYNEDD COUNCIL'S CABINET – OFFICER'S REPORT

Name and Title of Cabinet Member: Councillor Gareth Thomas

Name and title of the Report's Author: Sioned Eirian Williams, Head of Economy and Community Department

Date Decision was Taken: 30th March, 2020

Cabinet Member's Signature:



Subject:

Byw'n Iach Ltd. Business Plan 2020-21

Recommendation for the Decision:

To approve the Byw'n Iach Ltd. Business Plan 2020-21 in accordance with the agreement with Gwynedd Council which means that fees would rise by an average of 3.55%.

The reason for the need for a Decision:

On the 1st of April 2019 the responsibilities for providing leisure services in the 12 Gwynedd Council Leisure Centres was transferred to Byw'n Iach Ltd. Byw'n Iach is a company limited by guarantee, in the ownership of Gwynedd Council which ensures that it always operates for the benefit of the county's residents.

In its first two years Byw'n Iach Ltd. intended to establish itself, develop new operating arrangements, become familiar with new governance arrangements and seek new opportunities to review and develop the business and service for the future.

In the first year the Council has been monitoring the activities of Byw'n Iach Ltd., and based on the evidence it can be stated that the transfer has been successful, with performance having been good and no significant concerns arising.

One of the terms of the agreement with Gwynedd Council is that Byw'n Iach Ltd. will design innovative solutions to fulfil the Council's ethos of continuous improvement and financial efficiency throughout the contract period. As stipulated in the contract, Byw'n Iach Ltd. has already created a Business Plan for 2019-21 which was approved by the Council, but has now been revised for 2020-21 in order to show how the company intends to fulfil its obligations. Due to these revisions, and the fact that the company notes in the Plan that it shall be charging fees, the Council's approval is required.

Rationale and justification for reaching the Decision:

It is recommended that the Byw'n Iach Ltd. Business Plan be approved as the Company has fulfilled the General Requirements of the contract as evidenced below:

1	<i>A varied programme of leisure, sport and community activities that is accessible to all, including disadvantaged and vulnerable groups.</i>
Evidence	<p>In the 2019-20 financial year Byw'n Iach Ltd has provided a variety of leisure and sporting activities as seen by following the link: https://www.bywniach.cymru/en/activities/</p> <p>These activities also include free swimming sessions.</p> <p>The company notes in the business plan that it shall establish new stakeholder forums in order to foster a stronger relationship between local communities. They have already initiated community schemes such as the Dwyfor Gardening Project, which was recently awarded with the Green Flag https://www.bywniach.cymru/en/blog/dwyfor-gardening-project-achieves-international-green-flag-award/</p> <p>They have also worked collaboratively in developing the garden at Glaslyn https://www.bywniach.cymru/en/blog/incredible-edible-port-working-with-us-to-develop-the-bywn-iach-glaslyn-garden/</p> <p>In order to ensure that the centres remain accessible to disadvantaged and vulnerable people, the company offers concessions to disabled people, 16-24 year olds and people over 60.</p>
2	<i>Consistently provide high-quality customer experiences and customer care.</i>
Evidence	<p>During the first six months of 2019-2020 customer satisfaction with Byw'n Iach Ltd. stood at 87.34%, which fell below the average level of customer satisfaction of 88.68% over the preceding three years. Although the figure is lower it is not substantially so, which proves that the transfer has been a seamless one. The company also notes that the level of feedback has decreased of late, and they are endeavouring to collect more feedback through digital means such as tablets in the centres or e-mail. It is disappointing to note the level of parents' satisfaction with children's swimming lessons, in that only 66.86% of parents rated them as excellent or very good. The company has found that dissatisfaction exists among some parents based on feedback to the lessons. The company has engaged Pulse to develop a Welsh-language resource in order to share the Portal with parents and thus improve feedback. It is hoped that parents' satisfaction will increase once the Portal is in place.</p>

3	<i>Ensure effective cooperation between stakeholders and partners across the sport and physical activity sector in the County</i>
Evidence	<p>Over the past year Byw'n lach Ltd. has been contributing to the work of developing a framework and strategic vision for sport in north Wales. Sport North Wales is a long-term strategic partnership. The partnership is expected to provide leadership and to commission high-quality programmes.</p> <p>In the future the company intends to introduce a new role within the team, that of Partnership Manager. This role will require the manager to ensure that more collaborative work is accomplished between stakeholders and partners. Following the appointment of the manager it is expected that there will be several more examples of collaboration on which to report back.</p>
4	<i>Support the development of activities and promote participation by community organisations, clubs / groups and Schools</i>
Evidence	<p>Byw'n lach Ltd. continues to provide pool time to Swim Gwynedd on the Council's behalf, as part of the Performance Club agreement. As part of this agreement over the past year, Byw'n lach Ltd. has been giving schools a first taste of the resources from the centres. They have extended the corporate scheme to partners and also revisited the decision to end the Gold Card scheme for talented young athletes before reintroducing it.</p> <p>As noted above, they have already initiated community schemes such as the Dwyfor and Glaslyn gardening projects, and the intention to create the post of Partnership Manager will lead to the development of further collaboration with clubs, community groups and schools.</p> <p>The past year has seen some examples of good collaboration between the company and clubs, such as alterations to the Arfon centre to enable the provision of netball activities in the tennis hall, after local clubs and Netball Wales had highlighted a lack of available courts. In addition to netball, the company introduced a new offer in the Bangor centre to develop the diving provision, in response to a request from Swimming Wales, and a diving gala was subsequently held there.</p>
5	<i>Continuously review and enhance the range and scope of the provision, always being aware of customers' needs, increase visitor numbers and customer satisfaction, especially among the hardest to reach.</i>
Evidence	<p>The company notes in the business plan that work will be undertaken to upgrade infrastructure in 2020-21 in order to improve the offer and subsequently increase visitor numbers and customer satisfaction. The projects include:</p> <ul style="list-style-type: none"> • Restoration of synthetic playing fields at Plas Ffrancon, Plas Silyn and Bro Dysynni.

	<ul style="list-style-type: none"> • Upgrading the changing space for families and disabled people at Dwyfor and Glaslyn. • Improved facilities for children, young people and families at Plas Ffrancon (in partnership with Flying Start). • New equipment to support swimming, e.g. equipment for disabled people. • Investment in fitness equipment in order to improve the provision for users in general, as well as equipment for older people and NERS programme customers. • Alterations to Byw'n Iach Arfon to enable the provision of netball in the tennis hall.
6	<i>Sustain high levels of hygiene throughout the properties.</i>
Evidence	Byw'n Iach Ltd. operates its own internal monitoring system (IMS) which describes the manner in which the service shall be provided. Byw'n Iach Ltd. also uses the Quest system, which assesses the quality of leisure services in Britain. Quest will complete an annual quality assessment at one Centre. In addition to the above, internal audit arrangements are in place to ensure that the Centres are of a high quality. A customer satisfaction level of 87.34% attests to the high level of hygiene at the sites.
7	<i>Market and promote the Service, the Building and activities in an accessible, attractive and professional manner which also targets those least likely to participate in sport, with the aim of increasing participation and user numbers</i>
Evidence	<p>Byw'n Iach Ltd. has reviewed the brand and introduced visual changes to the leisure centres. They have created a new website, https://www.bywniach.cymru/, and also aim to market the service on various social media platforms through the marketing and communication officer:</p> <p>https://twitter.com/bywniachcymru</p> <p>https://www.instagram.com/bywniachcymru/</p> <p>https://www.facebook.com/bywniachgwynedd</p> <p>https://www.youtube.com/channel/UCBxDNXE3P8om1KZF8HFWo_w</p> <p>https://www.bywniach.cymru/en/blog/</p> <p>In addition to the above, the company has now appointed a marketing apprentice in order to expand on the marketing work accomplished already.</p>
8	<i>Encourage more Gwynedd residents to take part in physical activity, sport and cultural activities, especially those residents with greater health needs.</i>
Evidence	Byw'n Iach works hard to encourage more Gwynedd residents to take part in sporting activities through all its marketing work. The company has been coordinating the National Exercise Referral Scheme for

	Physical Exercise (NERS). Public Health Wales funding benefits young people over 16 years of age with chronic diseases or at risk of chronic disease. They have also been coordinating the Free Swimming scheme with the aim of targeting specific groups, e.g. older people, people with dementia etc. In order to ensure that the centres are accessible for all, the company has upgraded the changing space for families and disabled people at Dwyfor and Glaslyn. In order to improve standards for individuals with greater needs, the company intends to submit an application to Insport for a bronze award which would show that the staff and centres are inclusive of people of all abilities.
9	<i>Subject to the leasing conditions, maintain the quality of the properties.</i>
Evidence	Byw'n Iach Ltd. has introduced a new management structure in 2019-20. These changes have created a more robust management structure than before, by ensuring that the executive team leads on specific areas to create consistency across the 12 centres. One area manager holds responsibility for Property. This ensures that the company strives to maintain the centres. Over the past year the company has encountered problems/faults and these have been reported promptly to the Council's Property department in all instances.
10	<i>Work continuously to improve efficiency in service provision, reduce the cost of the service to the Council, and aim to reduce the current contractual sum.</i>
Evidence	<p>The company has identified in its business plan that for 2021/22 and future years, consideration must be given to the Council's desire to reduce the sum of the contract by up to £155,000. The company has noted that it will investigate and present options for responding to the reduction in income. In the meantime the company has developed a Commercial Training Unit which offers a wide range of training courses to external organisations, including Health and Safety and First Aid. Expanding on this could generate more income.</p> <p>https://www.bywniach.cymru/en/training/</p> <p>The company has now established new arrangements with the Council's Property department, whereby quarterly meetings shall be arranged to monitor energy performance, with the aim of reducing the centres' running costs.</p> <p>As part of its SWOT analysis the company has also identified the possibility of co-locating more of its services in future in order to reduce costs relating to the buildings.</p> <p>In response to the risk of a reduction in the contract, the company has also identified the following solutions:</p> <ul style="list-style-type: none"> • <i>Increasing Fees</i> • <i>Reducing Costs (e.g. identifying and reducing non-productive opening hours, etc.)</i>

	<ul style="list-style-type: none"> Increasing the number of customers and thereby raising the income target.
11	<i>Seek opportunities for grant funding to support business development and continuously improve services.</i>
Evidence	<p>The company has also noted in its SWOT analysis that opportunities exist to secure additional grants. The company has begun to investigate possible grants for 2021-22 and beyond.</p> <p>As part of the new Partnership Manager role being discussed, the post-holder will be responsible for identifying and applying for grants.</p>
12	<i>Provide qualified fitness staff to ensure compliance with all aspects of the contract at all times</i>
Evidence	<p>The company currently follows the Council's Recruitment and Selection policy until such time that the company adopts an equivalent policy.</p> <p>https://gwynedd.insight4grc.com/UserHome/Policies/PolicyDisplay.aspx?id=215&l=2</p> <p>This ensures that the staff are qualified and suitable for their roles, since the company is committed to appointing only those candidates who meet the personal specifications.</p> <p>For the duration of staff's time in their posts, the company employs the Council's online Staff Development Module (MoDS) in order to organise and keep a record of all modules completed/training attended.</p> <p>The IMS, Quest and internal audit arrangements ensure that the company and the Council can monitor whether staff qualifications remain up to date.</p>

It is also an expectation of the contract for Byw'n Iach Ltd. to show how it contributes to the Council's Strategic Vision as contained in the Gwynedd Plan for 2018-2023. The evidence below shows that Byw'n Iach Ltd. has endeavoured to contribute to the vision:

1	<i>'Support all the people of Gwynedd to thrive and live full lives in our community, in a county which is one of the best counties to live in. '</i>
Evidence	<p>Byw'n Iach operates 12 Leisure Centres across Gwynedd, and this provision enables Gwynedd residents of all ages to learn new skills and enjoy participating in energetic activities in safe locations. They ensure that all Gwynedd residents have the option to take advantage of their service by offering Free Swimming sessions and concessions for various customers. Byw'n Iach Ltd. provides assistance to Social Services in ensuring that individuals with educational needs, older adults and people with dementia can live full lives in their</p>

	communities, including the day centre in the Arfon Leisure Centre Café.
2	<i>Putting the welfare of Gwynedd citizens at the forefront of all its activities</i>
Evidence	Over the past year Byw'n Iach Ltd. has proved that it puts the welfare of Gwynedd citizens at the forefront of all its activities. As noted in the business plan, Byw'n Iach Ltd. has put performance measures in place over the past year which will remain for the year to come. These measures are used to ensure that what is being accomplished is beneficial to Gwynedd citizens, and that future activities are planned in accordance with the results of these performance measures.
3	<i>Commit to the principles of the Well-being of Future Generations Act (Wales) 2015 in order to improve the economic, social, environmental and cultural well-being of Gwynedd communities.</i>
Evidence	Byw'n Iach Ltd. is undoubtedly committed to the principles of the Well-being of Future Generations Act (2015). They ensure that Wales is more Equal by offering Free Swimming sessions, concessions and competitive prices compared to the market. The company also contributes to a Healthier Wales both physically and mentally through the range of opportunities offered, such as well-being sessions, gardening and NERS. The company provides a fully bilingual service in order to ensure that the Welsh language thrives. The company also strives to ensure a prosperous and resilient Wales by providing jobs for over 250 individuals and strives to reduce its carbon use in collaboration with the Council's Property department.
4	<i>Ensure that Gwynedd citizens can "enjoy happy, healthy and safe lives."</i>
Evidence	The company has proved over the past year that it strives to ensure that Gwynedd citizens can enjoy happy, healthy and safe lives by providing a broad range of activities. A customer satisfaction level of 87.34% attests to the fact that Byw'n Iach succeeds in achieving this.
5	<i>The Council's vision for its leisure centres and Agreed Programmes is to "Collaborate with partners locally, regionally and nationally in order to inspire, support and enable Gwynedd residents to be active and live healthy lives."</i>
Evidence	Over the past year Byw'n Iach Ltd. has collaborated with several partners. As noted above, the company has collaborated with partners at regional and national levels, such as working to establish Sport North Wales, and working with Netball and Swimming

	governing bodies to improve facilities. Locally it has collaborated with clubs, day centres and Dementia Go, and has set up gardening clubs.
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Byw'n lach Ltd. has shown through its Service Provision Programme in the business plan that it meets the general requirements of the contract and contributes to the Council's strategic vision.

The company strives to identify its strengths, opportunities, weaknesses and threats in addition to completing a Corporate Risk Register, which shows that it has identified the actions that must be put in place over the next year to ensure that the company reduces its risks, addresses its weaknesses and takes advantage of the available opportunities.

The aim of Byw'n lach Ltd. for its first two years was to establish itself. As a result the performance measures agreed with the Council remain in place. These Measures are concerned with 'numbers' and 'how well' for the time being. It is hoped that additional measures can be introduced in the year to come in order to show what 'difference' is being made.

Increase in Fees

The contract requires Byw'n lach Ltd. to ensure that all programmes and membership schemes are regularly reviewed and updated in response to changing demand, and to ensure that it fulfils the Council's requirements in increasing income and participation in the service.

The contract also states that inflationary increases may commence from the 2020/2021 financial year or whichever later date the Council may determine. In accordance with the contract, Byw'n lach Ltd. has taken the opportunity to raise salaries. Salaries have been determined in consideration of various different factors, including inflation in living costs, company performance in 2019/20 and information on likely local wage inflation in the leisure sector and the public sector in general.

In accordance with the contract, Byw'n lach Ltd. will provide the Free Swimming scheme. For the 2019/20 financial year, Byw'n lach Ltd. received £84,500 to provide the scheme. For the 2020/21 financial year this funding has halved to £42,250.

Taking the salary increases into consideration, along with a reduction in grant funding and other pressures, the net total to be funded by the company is £134,210, which means that fees will need to be increased. See the breakdown below:

Wage Inflation	£88,920
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Other Inflation	£17,890
Increments / Turnover	£6,270
Reduction in Staff Pension Costs	(£52,770)
Grant Reduction	£21,130
Other Pressures	£35,360
Establishing a Development Fund	£17,410
Net total - to be funded by the Company - equivalent to 3.55% of fees	£134,210

Byw'n Iach Ltd. has become aware of variance in the 2019/21 Business Plan, and in accordance with the contract has notified the Council in the 2020/21 Business Plan. The contract stipulates that if any variance is identified, the company is expected to notify the Council if the variance in question involves a reduction in income or an increase in expenditure, or both. Upon identifying the variance, a revised Business Plan and a recovery plan must be submitted to the Council. In this instance the company has identified both a reduction in income and an increase in expenditure, and seeks to recover its position by increasing income. As Byw'n Iach Ltd. has followed the guidelines of the contract, it is recommended that Gwynedd Council supports the Company's intention to raise its fees.

Record of any personal interest by any Cabinet Member consulted and any dispensations approved by the Standards Committee:

Any consultations undertaken prior to making the Decision:

Chief Finance Officer –

The decision of the Company's Board of Director at its meeting held on 15 January 2020 was to accept the budget along with the commitments above, and to fund it entirely by way of cost recovery from the customers. As a result, the budget for income fees from customers shall increase by 3.55%, effective from 1 April 2020.

I am satisfied that the cost estimates contained in the Company's budget for 2020/21 are reasonable and that the Board of Directors has set a balanced budget. I am also satisfied that the Schedule of Fees 2020/21 submitted to the Board of Directors at its meeting held on 15 January 2020 is sufficient to recover the increase in costs of £134,210 in 2020/21.

Monitoring Officer –

The Business Plan is a document which represents one of the foundations of the arrangements between Gwynedd Council and Byw'n Iach Ltd. The provisions of the contract entitle the Council to consider and approve the Plan put forward by the

Company Board. The proposal reflects this cooperation and I am satisfied as to its propriety.

Local Member/s -