

Committee: **Executive Committee**

Date of meeting: **21st July 2021**

Report Subject: **Aneurin Leisure Trust Performance and Monitoring Report (April 2020 – March 2021)**

Portfolio Holder: **Councillor Joanne Collins, Executive Member for Education**

Report Submitted by: **Lynn Phillips, Corporate Director of Education
Joanne Sims, Service Manager – Young People and Partnerships**

Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
√	√	06.07.21			22.06.21	21.07.21		

1. Purpose of the Report

- 1.1 The purpose of the report is to provide the Executive Committee with an update on the performance of the Aneurin Leisure Trust and to clarify the future performance monitoring arrangements.

2. Scope and Background

- 2.1 In April 2018, the Council commenced a review of the provision of Leisure and Culture services. This review was in line with the finance and management agreement between the Council and the Aneurin Leisure Trust (ALT). The review included two phases and the second phase of the review concluded early 2020.
- 2.2 In parallel to the review, the Council developed the Leisure and Culture Strategy 2019-29 to provide strategic direction for the future of leisure services and identified key priorities for the next 10 years.
- 2.3 Due to the emergence of COVID-19 and subsequent national lockdown, the outcome of the review was not presented to Full Council until September 2020. However, at that meeting, Option 2 was agreed which stated:
- 2.4 'Provide a time limited contract extension period of five years with a break/review point at year 3. Using the proposed new governance structure to formally review the performance of ALT's delivery of the business plan against the new specification and revised financial and management arrangement. Use clear checkpoints to identify risks and take action to mitigate those in a timely manner. If ALT fully deliver to their business plan the Council will consider a further extension to the contract subject to a further review'.
- 2.5 In addition, along with the appointment of the then Interim Corporate Director of Education, it was agreed in April 2020 to move the lead responsibility for Leisure and Culture from the Regeneration and Community Services Directorate to the Education Directorate, undertaking the role of client for these services, and appointing an interim lead officer for this function. Following the permanent appointment to the post of Corporate Director of Education, a new Education senior management structure was created which included a new post of Service Manager

– Young People and Partnerships. This post includes the function of lead officer with Aneurin Leisure Trust.

2.6 Since April, the following areas have been prioritised:

- Establishing regular meetings and protocols between the Education link officer and senior managers in the ALT;
- Supporting the ALT Trust through lockdown, phased reopening and understanding any financial impact;
- Identifying areas for development following the review, including the service specification, governance structure, SLAs, reporting framework; and,
- Facilitated the transfer of the Metropole Theatre from ALT to Awen Cultural Trust and Head 4 Arts back into the Council.

2.7 **Response to COVID-19**

2.8 Throughout lockdown, many of the Trust's employees were initially redeployed to support the Council's response to the pandemic and later providing summer activities for vulnerable children. However, the Trust also placed the majority of the workforce onto the Job Retention Scheme (furlough) in order to safeguard the business. A robust phased reopening plan was developed and gradually many of the Trust's services have moved to partial or full re-opening, working closely with Health and Safety colleagues to put the appropriate risk assessments in place. ALT also worked closely with the Local Health Board to provide Bedwellty House as a vaccination centre free of charge.

2.9 The review recognised that key to the successful delivery of a sustainable Leisure and Culture offer is improved governance and contract management arrangements. Therefore, since April, developments have focussed on finalising the draft service specification which outlines exactly what services are being requested. This has been finalised and forms part of a wider suite of legal documents which will be completed by the end of June.

2.10 Fortnightly meetings have taken place between the link officer and ALT throughout the year. This improved partnership with the Council has resulted in ALT successfully accessing the Welsh Government Hardship Fund, which alongside careful management of furlough arrangements, has ensured that the Trust is financially and operationally stable, despite a year of extreme interruption to usual business.

ALT has also used this year to proactively pursue all possible funding/grant schemes created due to Covid and information about these are set out in Appendix 1.

2.1.1 **Monitoring and Scrutinising Performance**

In order to monitor and scrutinise the progress and impact of the Trust, a full progress report will be presented to Education and Learning Scrutiny Committee twice a year, reporting against the agreed Key Performance Indicators (KPIs) within the specification. The KPI balance scorecard is set out in section 6.1 and is the proposed way ALT will present their performance. Other reports may be presented throughout

the year by exception. These reports will also be presented to the Executive Committee and the Joint Strategic Partnership Group for comment.

- 2.1.2 The working relationship between the Council and Aneurin Leisure Trust greatly improved during phase 2 of the review. This positive working relationship has continued to improve throughout lockdown and into the re-opening phase. This has been enhanced through the weekly structured meetings between the link officer and senior managers in the Trust during the first six months of lockdown.

3. **Options for Recommendation**

- 3.1 This report has been discussed and agreed by Education DMT, CLT and Education and Learning Scrutiny Committee prior to submission to the Executive Committee. Members are asked to consider the following options:

- 3.2 **Option 1:** The Executive accept the annual performance and the proposals for future reporting arrangements.

- 3.3 **Option 2:** The Executive do not accept the information detailed within the report.

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 **Corporate Plan Priorities**

This report supports the Council's Performance Management Framework and the work of the Aneurin Leisure Trust contributes to the Council priority, Strong and Environmentally Smart Communities, the delivery of statutory responsibilities for providing library services and the core elements of the Blaenau Gwent Wellbeing plan.

5. **Implications Against Each Option**

5.1 **Impact on Budget**

- 5.1.1 This proposal in this report will ensure that the Council is getting the most out of the investment through the commissioned service. The proposed new reporting process will ensure that the investment is delivering the outcomes as articulated in the Leisure and Culture Strategy. The full impact of COVID-19 on the Trust's Business Plan is not yet fully realised, as the furlough scheme has provided much needed financial support. However, the Trust has a clear delivery plan and financial forecast which takes account of this uncertainty, and is being closely monitored.

- 5.1.2 ALT income and expenditure is set out below. This is regularly discussed and shared with the Council, with a BGCBC Finance Officer also attending all ALT Finance meetings. Due to the ALT's success in accessing Covid related grants, the hardship fund and careful management of staff on furlough, the Trust is in a positive financial position, which is providing some support for the future. This is important as the Trust has forecast that a return to full operation will take time.

Income and Expenditure	Original Estimate YTD	Mar 2021 Actual YTD	Variance Fav/(Adv)
	£	£	£
Income YTD	2,511,228	3,243,085	731,857
Expenditure YTD	6,013,825	5,754,678	259,147
Operating Deficit YTD	(3,502,597)	(2,511,593)	991,004
Management Fee YTD	3,232,692	3,232,688	(4)
Surplus/(Deficit) YTD	(269,905)	721,095	991,000

5.2 Risk

The risk of not monitoring progress against the agreed performance indicators could lead to the outcomes in the Leisure and Culture Strategy not being met, and the Trust not meeting the requirements set out in the service specification.

5.3 Legal

Monitoring performance in line with the agreed performance indicators is a requirement within the Service Specification, which is part of the Finance and Management Agreement. The Finance and Management Agreement represents all the legal and financial arrangements for the relationship between the Council and ALT.

5.4 Human Resources

There are no direct Human Resources implications associated with this report other than the allocation of time from the link officer.

6. Supporting Evidence

6.1 Performance Information and Data

6.1.2 The bi-annual reports will include progress against the following key performance indicators. Targets and measures have been agreed against each of these areas to provide clarity on what is expected for the Trust and also to ensure Members can make judgements on what is going well and what needs to improve. ALT has developed a visual dashboard which highlights progress against the KPIs and the current status is set out below:

6.1.3




Area	Target	Outcome	Key Drivers
Governance, Leadership & Advocacy	Green >90% Amber <90% >80% Red <80%		All meetings attended
Financial Sustainability	Green 1% of Target Amber <1% of Target Red >5% of Target		During a challenging year of lockdown closures the Trust has utilised; The Hardship Fund and the JRS through Furlough
Use of the Services	Green Target met Amber 10% of target Red >10% of Target		Data has not been achieved due to sites being closed for 8 months of the financial year
Operational Performance	Green 80%-100% Amber 70%-79% Red 0%-79%		Not achieved due to lockdown closures throughout the year
Customer & Staff Satisfaction	Green >55% Amber <55% >45% Red <45%		When open the customer satisfaction has been positive but lockdown has not provided a full year of data. Staff satisfaction is good due to furloughed staff receiving 100% of salary
Library Services Standards	Green >80% Amber 70% - 79% Red <79%		A year on year improvement on the WPLS report. Other positives include working in partnership with BGCBC to create the Community Hubs
Environmental Sustainability	Green 3% Amber 10% Red >10%		Phase 2 implemented to install replacement pool covers which will greatly reduce water heating costs
Asset Management	Green >90% Amber <90% >80% Red <80%		All key maintenance tasks actioned

6.1.4 This table clearly highlights ALT is performing well in all areas it has control over. However, importantly, the three areas which are red or amber are directly related to the services not being able to be open to the public, and so we would not expect these to be green at this point.

6.1.5 Measures underpinning these KPIs are also listed in Appendix 1.

6.2 **Expected outcome for the public**

The expected outcome for the public will be to achieve the aspirations in the Leisure and Culture Strategy

6.3 ***Involvement***

The updating of the service specification and performance indicators has been developed in collaboration between the Council and the Trust.

6.4 ***Thinking for the Long term***

Blaenau Gwent's decision to commission the provision of Leisure and Culture Services from ALT is intended to secure the long term provision of Leisure and Culture provision in the County Borough. The monitoring and reporting process, in line with the finance and management agreement, seeks to strengthen the long term provision by ensuring that provision is in line with what is required.

6.5 **Preventative focus**

The impact of leisure and cultural provision on wellbeing has been recognised for a long time and is preventative in its approach.

6.6 **Collaboration / partnership working**

The new governance model within the service specification ensures that collaboration is at the heart of all decisions. The Joint Strategic Partnership Group will strengthen this approach and encourage greater partnership working.

6.7 **Integration**

The move of the client function to Education will only further enhance opportunities for integration between the Trust and across areas within the Council.

6.8 **EqIA**

There is no requirement for an EQIA assessment as all partners will have their own equality planning arrangements in place.

7. **Monitoring Arrangements**

7.1 The current reporting arrangements, along with the new governance structure will ensure that the performance of the Trust is transparent and accountable. Reports will be presented to CLT, Scrutiny Committee, Executive and the new Joint Strategic Partnership Group on a six monthly basis.

Background Documents / Electronic Links

Appendix 1

Appendix 2