

Committee: **Audit Committee**
 Date of meeting: **19th November 2019**
 Report Subject: **WAO Review: Delivering with Less – Leisure Services**
 Portfolio Holder: **Cllr G Collier, Deputy Leader / Executive Member Environment**
 Report Submitted by: **Anne-Louise Clark, Chief Officer Commercial**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	27.08.19		19.11.19		12.09.19			

1. Purpose of the Report

- 1.1 To present to Audit Committee the findings of the Wales Audit Office (WAO) review on Delivering with Less – Leisure Services reported in May 2019 (Appendix 1).
- 1.2 The Council has responded to the review and its Management Response is attached at Appendix 2.

2. Scope and Background

- 2.1 Between June and December 2018 the Council invited WAO to be a ‘critical friend’ and provide feedback and advice on the Council’s approach to undertaking Service Reviews.
- 2.2 At the time the Council were involved in a review of the current Leisure and Culture Service Delivery Model.
- 2.3 Officers from WAO shadowed the Council’s Leisure Review approach by observing meetings, reviewing documents and interviewing key officers and members.
- 2.4 The proposals for improvement have been taken on board and included in the future review process for the ongoing Leisure and Culture Review.

2.5 Proposed Improvements and Actions

The report from WAO made the following proposals for improvement:

- Ensure the learning from the current Trust arrangement is considered when establishing a new leisure services arrangement;
- Ensuring the Council’s programme of service reviews work to realistic project scope and timescales;
- Put plans in place to ensure continuity of leisure services and smooth transition to sustainable and efficient alternative delivery model(s).

2.6 The current phase of the Leisure and Culture review includes:

- Review of the current leisure and culture partnership agreement, and commercial terms of the contract providing an audit of current market positions against current partnership covering benchmarking, surplus share, invest to save, asset management, building lifecycle replacement, general maintenance responsibility, termination provisions, utility benchmarking and loss of income etc.;
- Development of new fit for purpose 'service specifications' linked to the Council's leisure strategy;
- Using the service specifications provide Business planning support to the Trust to develop their "sustainable leisure and cultural offer". Including developing and restructuring their financial model that sets out the recovery of central costs, future investment and management fee profile that will secure well maintained assets, increasing commercial returns and financial stability for the Trust and Council into the future;
- Using the service specifications test the market to identify other potential partners to ensure the Council can provide sustainable leisure and culture services;
- Using the service specifications develop a performance management framework that reflects not only operator key performance indicators but also impact indicators that reflect outcomes for our residents and partners;
- Develop an effective strategic governance and partnership structure that is well placed to deliver the strategic outcomes for any future partnership option;
- Develop a clear exit strategy as an addendum to the revised leisure agreement considering key elements, such as pension arrangements, disposal of assets and staffing implications;
- The review timeline reflects the complexity of this multi-million pound contract with milestones in place to identify key decision making points and any new contracting or re-contracting requirements.

3. Options for Recommendation

3.1 The report was supported by the Community Services Scrutiny Committee at its meeting on 12th September 2019.

Option 1

The Audit Committee consider the content of the Wales Audit Office review and findings on Delivering with Less – Leisure Services and endorse the Management Response as it provides assurance that the proposals for improvement will be fully implemented.

Option 2

The Audit Committee consider the content of the Wales Audit Office review and findings on Delivering with Less – Leisure Services and provide amendment to the Management Response before endorsement to ensure assurance that the proposals for improvement will be fully implemented.

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

This report supports the Council priority, Efficient Council as a good governance within Service Reviews leads to more informed and timely decision making, delivering improved outcomes to residents, businesses and visitors.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

Effective governance will positively impact on financial decision making related to service reviews and supports financial resilience.

5.2 ***Risk including Mitigating Actions***

The proposals presented in this report are designed to minimise risks through strengthening governance arrangements and providing greater transparency.

5.3 ***Legal***

There are no legal implications of this report.

5.4 ***Human Resources***

There are no staffing implications arising from this report.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

The findings of the Delivering with Less – Leisure services review are attached at Appendix 1.

6.2 ***Expected outcome for the public***

The strengthening of the Council's Service Review arrangements will ensure that improved outcomes for the public will be achieved through the creation of sustainable service delivery models

6.3 ***Involvement (consultation, engagement, participation)***

The review undertaken by WAO involved key stakeholders and their views are reflected in the proposals for improvement.

6.4 ***Thinking for the Long term (forward planning)***

The proposals for improvement will strengthen the Council's approach to service reviews.

6.5 ***Preventative focus***

N/A

6.6 ***Collaboration / partnership working***

Blaenau Gwent County Borough Council working with WAO to strengthen the Council's approach to Service Reviews.

6.7 ***Integration(across service areas)***

The review undertaken by WAO included gathering the views of many stakeholders from across the Council promoting an integrated approach.

6.8 ***EqIA(screening and identifying if full impact assessment is needed)***

N/A

7. **Monitoring Arrangements**

7.1 The review of Leisure and Culture Services is supported through the Member Working Group, the Officer Working Group with monitoring through a Governance Board, Executive and CLT. Progress in turn will be considered by Community Services Scrutiny Committee on a regular basis.

Background Documents /Electronic Links

Appendix 1 – WAO Delivering with Less – Leisure Services – BGCBC

Appendix 2 – Management Response