

Report to:	Communities Scrutiny Committee
Date of Meeting:	12 May 2016
Lead Member / Officer:	Lead Member for Community Development/ Head of Facilities, Assets and Housing
Report Author:	Lead Officer, Commercial Leisure
Title:	Wales Audit Office. Delivering with Less (Leisure Services)

1. What is the report about?

The report summarises the WAO report and outlines the performance of Denbighshire Leisure Services in comparison to other Local Authorities in Wales.

2. What is the reason for making this report?

To provide information regarding the WAO report (Appendix 1) – the latest in a series of reports under the ‘Delivering with less’ banner.

3. What are the Recommendations?

That:

- 3.1 the Committee considers and comments on the contents of the report and where Denbighshire sits in terms of its leisure services provision in comparison to the other Local Authorities in Wales; and
- 3.2 consideration around an options appraisal for different operating models should continue to be reviewed as the landscape changes.

4. Report details

“Leisure and recreation are crucial components of a balanced and healthy lifestyle”. This quote from the first line of the report is arguably truer today than ever before. Participation in activity helps to lower the risk of cardiovascular disease, certain types of cancers and diabetes. It can improve musculoskeletal health and help to control body weight. Participation has beneficial effects on mental health development and cognitive processes.

4.1 Until relatively recently the way that ‘leisure’ was delivered across Local Authorities was reasonably standard in that leisure centres were generally built, maintained and operated by the Authorities themselves. In recent years the pattern of delivering leisure services has changed with a range of delivery models being adopted.

4.2 According to the report 18 of the 22 councils have reduced how much they spend on leisure services in the last five years, with the greatest savings being made where councils have transferred their major leisure facilities to trusts. Overall, council revenue budgets have fallen by around 10% whilst the reduction in spending on sports and recreation services has been marginally higher with a 10.5% cut.

4.3 The Audit Office consider that due to the anticipated level of ongoing reduction, some Local Authorities will not be able to sustain leisure services in the medium to long term and that Councils must consider what to provide and through what method.

This is clearly not the case in Denbighshire where we have managed budgets in recent years to deliver a sustainable model delivered through a highly competent, professional in-house team. We have also managed to prudently extend or improve facilities for our customers following customer feedback or latent demand studies.

4.4 Councils seldom focus on demonstrating the beneficial impact of leisure services on public health and well-being and some councils are still not well placed to monitor and evaluate their approaches to leisure provision to target improvement and ensure that services are sustainable in the longer term.

4.5 Alternative Delivery Models

4.5.1 With the increasing pressure on local government finances, many councils are questioning whether it is still appropriate or affordable to position themselves as the main leisure provider. Given the current diversity of provision, authorities need to ensure that what they provide is valued by local people, contributes to corporate objectives, and is cost effective.

4.5.2 There are a range of different delivery models available for leisure and some Councils across Wales are either already delivering services or are considering doing so through one of these models.

4.5.3 Denbighshire County Council has developed a professional, commercially confident and well respected model for the delivery of leisure services. It is an 'in house' delivery model but has a more commercial outlook than might be traditionally expected.

4.6. WAO Report Pan Wales Findings

4.6.1 Generally strategic planning in leisure services needs to improve.

The report found that generally speaking Councils focussed too much on immediate financial challenges rather than ensuring a long term approach to future provision.

Whilst Denbighshire is clearly not exempt from financial challenges it is recognised that Denbighshire County Council has a strategy in place with clearly stated aims and targets. Furthermore the report recognises that Denbighshire has consulted widely in relation to the strategy.

The report highlights:

"Denbighshire County Council has a strategic aim that 'by 2020 Denbighshire will be renowned for high quality, accessible leisure opportunities attracting high levels of participation and improving the well-being of its residents and visitors'. The Council continues to focus on in-house provision, recognising the important contribution leisure services can make to delivery of Council priorities and the benefit they bring for local residents. In developing its initial vision for leisure services in Denbighshire the Council consulted with all its elected members, town and community councils, the public, and sports clubs"

4.6.2 WAO is suggesting that Councils undertake a detailed options appraisal when seeking to identify the most appropriate delivery model based on the council's agreed vision and priorities for leisure services.

As outlined above Denbighshire has a good track record of consultation when considering change and is recognised as having strong governance, a confident and commercial approach which uses data to inform the business and has a strong performance management ethos.

At present the in-house model is seen as the best option for the delivery of leisure services in the County but as with any progressive organisation we will consider all options going forward. At the appropriate time the Head of Service for Facilities, Assets and Housing will bring forward a report to satisfy the Council that the service remains sustainable and to robustly consider all options for the delivery of the service in the future.

4.6.3 WAO found that across Wales there is a need for the effective management of performance of leisure services by establishing a suite of measures to allow officers, members and citizens to judge inputs, outputs and impact.

The report highlights:

Good Practice Example – Denbighshire County Council

"The Council has created a Quarterly Management Information 'dashboard' for each service area, where all results are reviewed and challenged. A comprehensive suite of measures has been set for each of the service plan outcomes covering areas such as participation rates (including specific demographic groups), income generated at specific centres, sickness absence rates and savings realised.

To monitor the uptake and demand for services, Denbighshire are also utilising their leisure membership system. When members register, they are issued with a membership card which they must present each time they use a facility. This provides 'lifetime' information about the level of usage in all eight of its leisure facilities, including identifying peak usage times and which provisions and classes are most popular.

Officers use the data generated by the system to evaluate services and make

decision on which ones to expand or reduce. The system also provided demographic information about service users, which has enabled the Council to target services and campaigns where gaps are identified. This data is used to make decisions about services to be expanded or reduced”

4.6.4 WAO identified that across Wales there is a need to improve governance, accountability and corporate leadership on leisure services.

The Council's Service Performance Challenge process has been highlighted as an effective mechanism to review performance in this area with the CEO, Corporate Directors, Lead Member and WAO attending these sessions. Feedback on leisure services has been good with the Authority having confidence in the delivery model, planning, performance and strategy.

5. How does the decision contribute to the Corporate Priorities?

The report highlights that we have an efficient, modern leisure service which provides improving facilities and opportunities for the communities served.

6. What will it cost and how will it affect other services?

There are no additional costs associated or services affected by this report

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report

As the report is ‘for information only’ there are no identified impacts – see Appendix 2.

8. What consultations have been carried out with Scrutiny and others?

This is the first opportunity for consultation relating to this report.

9. Chief Finance Officer Statement

There are no financial implications associated with this report

10. What risks are there and is there anything we can do to reduce them?

There are no identified risks associated with this report.

11. Power to make the Decision

Article 6.3.4(b) of the Council's Constitution outlines scrutiny's powers with respect of performance monitoring.

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