

# ***Information/Discussion Paper***

## **Social and Community Overview and Scrutiny**

**9 May 2011**

### **Leisure and Culture Commissioning Review**

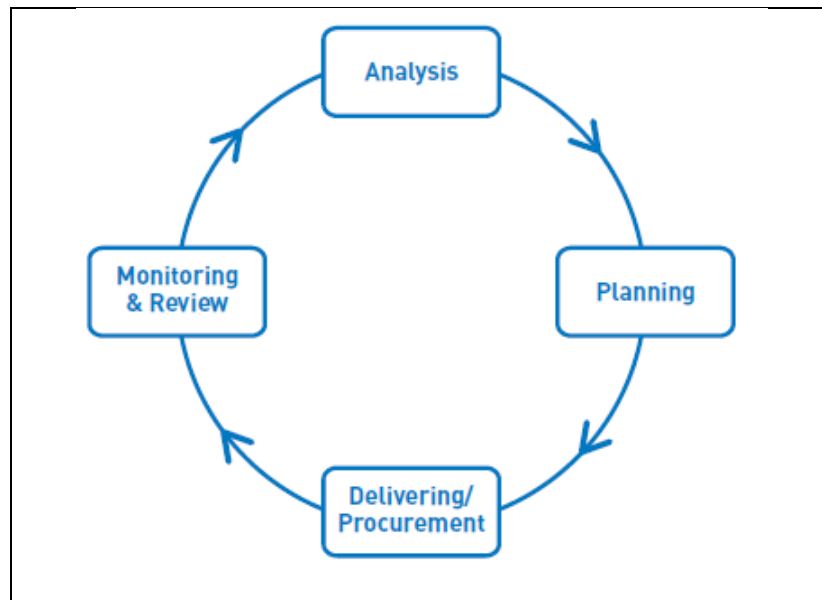
This note contains information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

#### **1. Why has this come to scrutiny?**

**1.1** The Leisure and Culture Commissioning Review is one of 3 strategic projects using commissioning principles. The review encompasses Leisure@ (including Prince of Wales Stadium), Town Hall, Pittville Pump Room, Art Gallery and Museum, Sports, Play and Healthy Lifestyles, Tourist Information Centre. Grants for the Playhouse Theatre, Everyman Theatre, Cheltenham Festivals, and Gardens Gallery do not fall within the scope of this review.

**1.2** This matter has come to scrutiny because the review team is keen for Members to be engaged in the review as it progresses. Engagement will be partly achieved by bringing key reports to this scrutiny committee for comment prior to Cabinet consideration. In addition all Members have been invited to join the Leisure and Culture Cabinet Member Working Group.

**1.3** The review is using commissioning principles to govern its approach. These principles are embedded in the commissioning cycle (below) hopefully already familiar to Members from recent reports and presentations.



It is important to stress that the Leisure and Culture Review is in the first phase of the

commissioning cycle – **the analysis phase**. The review team considers the analysis phase as having 3 elements; (1) what we currently do; (2) what we want to do and (3) how best to do it. The review is currently evaluating “what we currently do” and moving onto “what we want to do” through the analysis of needs and outcomes.

- 1.4 The purpose of this discussion note is to provide Members with an overview of the work undertaken so far. There are a number of background documents which will be referred to and which Members are welcome to view if they wish. Background documents will be placed in the Members Room prior to the meeting.
- 1.5 The review will be reporting on its progress to the 26 July Cabinet meeting and will be bringing the draft Cabinet report to this committee for comment prior to Cabinet. It is anticipated at this time that the report will be asking Cabinet to confirm a direction of travel based on the work and findings to date and to seek agreement to more widely consult, both internally and externally, on the preliminary findings and in particular the outcomes for culture and health in the future.

## 2. Progress to date

A number of areas of work have been undertaken by the review team during this part of the analysis phase and these are listed below and commented upon in the following sections of this discussion note.

- Developing Cheltenham’s Commissioning Process and Approach
- Background Research – Alternative Delivery Arrangements
- Needs Analysis and Prioritised Outcomes
- Future Proofing
- Systems Thinking
- Current Model Exercise

### 2.1 Developing Cheltenham’s Commissioning Process and Approach

- 2.1.1 In 2010, a number of organisations in Gloucestershire, led by the voluntary and community sector, collaborated to produce the ‘Good Commissioning Guide’ which the review is using as its principle guide. This document is available in the Members’ Room.
- 2.1.2 The Leisure and Culture and also the Built Environment commissioning reviews, in particular, are also providing an opportunity to “develop for real” this Council’s processes and approach to commissioning which suit our own needs and requirements. The “lessons learned” are being fed back into the Commissioning Programme Board for the benefit of future projects and reviews.

### 2.2 Background Research - Alternative Delivery Arrangements

- 2.2.1 The review team felt it was important, in the early stages, to build its knowledge and understanding of other potential models of service provision which could deliver the outcomes for Leisure and Culture. The team also felt it was important to understand and learn the lessons where there had been failures as well as successes.
- 2.2.2 The output from this work was 4 research documents; (1) alternative management arrangements; (2) 5 high-level case studies; (3) healthy lifestyles needs analysis; (4) cultural needs analysis. These documents are available as background papers.

2.2.3 The research work provided evidence that alternative models of service delivery do exist to deliver the outcomes for Leisure and Culture. One of the main drivers identified for the adoption of alternative delivery arrangements is the apparent financial benefit, eg, non-domestic rate savings. Whilst acknowledging that financial incentives exist the review team is keen to ensure that its approach to the assessment of other delivery models is well considered and robust and this of course includes the financial benefits.

## **2.3 Needs Analysis and proposed outcomes**

2.3.1 To support the commissioning exercise two needs analysis documents have been produced; (a) Report on the cultural needs of the local community and prioritised outcomes; (b) Report on the healthy lifestyles needs of the local community and prioritised outcomes (see 2.2.2 above). These documents are available from the Members' Room as background papers.

2.3.2 A needs analysis is a way of estimating the nature and extent of the needs of our communities so that services can be planned accordingly. This will help commissioners and providers focus effort and resources where they are needed most.

2.3.3 We recognise that the very nature of a needs analysis is going to throw up a range of requirements that are going to be both aspirational and beyond the scope of Cheltenham Borough Council to resolve. But the needs analysis is a start; and we can use versions of it with our partners to negotiate better outcomes for local people.

2.3.4 The commissioning review team have used the needs analyses to arrive at a set of proposed outcomes that were tested through the current model exercise (see para 2.6 below).

2.3.5 The needs analysis and proposed outcomes need now to be further tested with Members, and this will be one of the key tasks of the Cabinet Member Working Group. The review team also recognises the need to consult on the needs analysis and proposed outcomes with internal and external stakeholders, eg, Cheltenham Strategic Partnership (CSP), NHS, PCT, and other key groups in order that we arrive at a set of agreed *prioritised* outcomes. The proposals for further consultation will be highlighted in the Cabinet report.

2.3.6 Consultation with the CSP in particular is going to be important. The Council is currently working with partners on a review of the CSP and the development of a new community strategy. It will be important that priority outcomes for leisure and culture are clearly articulated to facilitate any consideration of possible joint commissioning opportunities, for example, with health partners.

## **2.4 Future Proofing**

2.4.1 An event was run by the review team and attended by the Leisure and Culture management teams. The purpose of the event was to start to test -"future proof" - the Council's current ability to deliver, on a sustainable basis, preliminary outcomes for Leisure and Culture. The future proofing event had 3 objectives; (a) to agree the drivers for the services (based on the needs analysis) over the next 5-10 years; (b) agree on the key desirable characteristics of service provision; (c) use the conclusions to inform further work.

2.4.2 The results of the future proofing work were used to inform the Leisure and Culture Current Model Exercise which is described in section 2.6.

## **2.5 Systems Thinking**

2.5.1 Earlier in section 1.3 reference was made to the 3 elements of the analysis phase and that the review is currently in the “what we currently do” phase. Therefore, the review team is keen to understand not only whether the in-house providers can deliver the prioritised outcomes but also what “waste” currently exists in the systems and processes. This is an important factor to consider early on as any efficiency gain identified and achieved is a direct saving to the Council. The review team has set the Leisure and Culture providers a nominal cashable savings target that it would wish to see delivered – see Current Model Exercise in section 2.6.

2.5.2 Members will be aware that the council’s approach to identifying and removing waste from its systems and processes is known as ‘systems thinking’. Using this approach, an initial scoping exercise takes place in order to understand which areas can most benefit from further review. An ‘intervention team’, which includes representatives from the teams which actually ‘do’ the work, then completes a ‘check’ of the scoped areas. The ‘check’ exercise is based on observation of the service to understand its purpose, in customer terms, and the demand from customers. The focus is then placed on identifying ‘preventable’ demand and quantifying its impact on service performance. In later stages of systems thinking, the team redesigns the systems and processes so, as far as is possible, waste is removed.

2.5.3 The initial scoping of the Leisure and Culture area has been completed and concluded that

- ‘check’ should be begun immediately at Leisure@
- Town Hall and Pittville Pump Rooms are second priority for ‘check’ and this should take place in the summer
- at the AG&M and TIC, further scoping should take place in early summer
- the nature of Sport and Play means that a full ‘check’ exercise is not justified but a smaller scale review could be scheduled

2.5.4 ‘Check’ at Leisure@ was completed by April 26<sup>th</sup> – at the time of this meeting the results are being analysed, however, its earlier findings are informing the ‘Current Model Exercise’, described below.

## **2.6 Current Model Exercise**

2.6.1 The work carried out as described above has all contributed to what the review team has described as the “Current Model Exercise”.

2.6.2 The aim of the exercise was two-fold:

- To establish whether in-house service provision can deliver an agreed set of outcomes within a challenging financial framework.
- To identify the constraints on in-house service provision that would prevent this and then identify those constraints that can be changed and those that can’t.

- 2.6.3 For each of the four services; the commissioning review team used the needs analysis to agree the following:
- Service outputs (the quantifiable measures of our activity eg number of visitors, amount of income generated);
  - Direct outcomes for our customers (the end result of our activity / the difference we will make);
  - CBC's Strategic objectives and outcomes (as set out in the corporate strategy);
  - The under-pinning principles (ie how we want the services to be provided); and
  - The desirable service characteristics (which came out of the future-proofing event).

2.6.4 The review team also agreed a financial target for the four services to collectively meet. This was £690,400 over the time-span of the current MTFs; this figure represents just over 30% of all operational budgets for the in-scope services.

2.6.5 The service managers' responses are now being collated and analysed; the outcomes from this exercise will be:

A detailed understanding of the resilience of each service when faced with a challenging financial target;

An understanding of the opportunities to do things differently that could help each service meet a challenging financial target;

A clearer understanding of the value of these services and the outcomes that they can deliver which will be tested with elected members through the cabinet working group and with partners.

(The AGM has not yet completed the exercise due to the operational needs associated with the HLF lottery decision)

### **3. Engagement with Members**

3.1 As mentioned earlier the review team is keen to engage with Members. In these initial stages this will be achieved in 2 ways. Firstly, through the creation of a Cabinet Member Working Group, chaired by the Cabinet Member for Sport and Culture, and to work alongside the review team. Secondly, through regular reporting through to this overview and scrutiny committee. Further thoughts on Member engagement will form part of the Cabinet report in July.

### **4. Next Steps**

4.1 The Cabinet Member Working Group will hold its first meeting during May and will be considering the prioritised outcomes for Leisure and Culture prior to the report to Cabinet in July. This overview and scrutiny committee will have an opportunity to provide comment upon the Cabinet report prior to its consideration at its next meeting on 11 July 2011.

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<b>Background Papers</b> <b>(Available in the Members' Room)</b>	1. Good Commissioning Guide in Gloucestershire 2. Alternative Delivery Arrangements – Research Documents 3. Report on Cultural Needs and Priority Outcomes 4. Report on Healthy Lifestyle Needs and Priority Outcomes 5. Leisure and Culture Current Model Exercise - template
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