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Public

Options Appraisal on the Future Delivery of Culture & Leisure Services in Shropshire

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Summary

As part of Shropshire Council's transformation agenda, Culture & Leisure Services commissioned an independent organisation (Strategic Leisure) to review various options for transforming the way that Culture & Leisure Services are delivered going forward over the next three years within a financially sustainable framework outside of the Council management structure.

This report and the accompanying presentation by Strategic Leisure highlights the interim findings of that service review that have already been identified and the next steps that need to be taken in preparation for a final report in April 2011.

Recommendations

Members of Scrutiny are asked to contribute to the findings made to date and comment on issues that will help inform the final report due in April 2011.

REPORT

Background

1. As part of the wider transformation programme within Shropshire Council it was agreed that a range of options for reviewing and transforming the way that Culture & Leisure Services are delivered going forward over the next three years should be looked at in greater detail.
2. It was subsequently agreed that an external Service Review should be undertaken by a third party and Strategic Leisure were commissioned in October 2010 to undertake this Options Appraisal.

3. The study was originally structured in two distinct phases: firstly to provide a position statement of the current services and to identify a high level range of options for their future delivery; and secondly to undertake a detailed financial, legal and human resources analysis of agreed future delivery options i.e. to provide a clear way forward for Shropshire Council in terms of service delivery.
4. The timescale for the overall study was November 2010 to February 2011 for interim findings, followed by stage 2 with a final report to be produced by April 2011.

Services Involved

5. The services involved in this review include:
 - Leisure Development
 - Outdoor Recreation including Countryside Access & Parks & Countryside Sites
 - Leisure Facilities
 - Arts Service (including Shropshire Hills Discovery Centre, Theatre Severn & Old Market Hall Film & Digital Media Centre)
 - Archives & Records Management
 - Community Archaeology Service
 - Museums Service
 - Shropshire Libraries
6. In considering these services it was important to understand those that were discretionary and those that were statutory.
7. In terms of Culture & Leisure, the only statutory services are:
 - Parks & Open Spaces: partly statutory service (main statute Open Spaces Act 1906),
 - Countryside & Country Parks: partly statutory service (main statute Countryside & Rights of Way Act 2000),
 - Archives & Records Management: partly statutory service (Local Government (records) Act 1962 Public Libraries & Museums Act 1964,
 - Shropshire Libraries (Public Libraries & Museums Act 1964).
8. The appraisal undertaken also reflects Shropshire Council's localism agenda and specifically how any future delivery model(s) relates to improved provision in the market towns whilst ensuring net revenue costs are reduced and long term sustainability is maintained.

Aim and objectives of the study

9. The overall aim of the study was:

To identify appropriate delivery mechanism(s) for the future provision of Culture and Leisure services in Shropshire

The objectives of the study are:

- Stage 1 – Review of current services and identification of the realistic options for future delivery
- Stage 2 – Detailed analysis of agreed future options (HR / £ / Legal)
- Stage 3 – Development of recommendations for the way forward

Consultation to Date

10. Given the required outputs of the overall study, a detailed approach has included the following:

- Review of existing services – who, what, where and how
- Officer consultation within Shropshire Council
- Member consultation (Cabinet and Portfolio Officers as well as the opportunity to seek Scrutiny Members views on 23-3-11)
- Ongoing reference to various Cabinet Reports and reflecting the Medium Term financial Plan for Shropshire Council

A full list of consultees is attached at Appendix 1.

Strategic Priorities for Future Service Delivery

11. Following this consultation the key priorities for future service delivery across Culture & Leisure Services have been identified and are:

- Shropshire Council's role is as an enabler and facilitator, not necessarily the direct deliverer
- Alignment with, and contribution to, Shropshire's economic development priorities
- Contributing to healthy, safe & confident communities
- Locality working and community involvement
- Partnerships for delivery
- Long term sustainability
- Reduced revenue costs

12. In order to achieve and implement the above identified priorities, it is suggested that a set of strategic principles should be adopted to provide a framework for the required changes and delivery approach.

13. The principles reflecting the above priorities are:

- Demonstrable contribution to economic development
- Demonstrable contribution to long term community well being and health
- Developing and implementing opportunities to maximise access to and use

- of existing assets
 - Contribution to locality working including the co-location of services and facilities, particularly opportunities for joining-up customer facing services
 - Extended partnerships for local delivery
14. Delivering to these principles and priorities will involve a significant culture change with Shropshire Council as a provider. Moving to this new approach will not be achieved over night; there is a need to phase in some changes and build capacity with existing and future partners to ensure inherent sustainability.

Findings to Date and Future Delivery Framework

15. On the basis of the Review undertaken to date of the existing services, future service delivery needs to be addressed in three main areas:
- Further efficiencies effected as a result of moving to unitary status
 - Short term service efficiencies effected through changes and delivery approaches (1 year to 18 months)
 - Medium terms changes to service delivery which build on and compliment the above (18 months to 3 years)
16. **Further Efficiencies**
A number of service areas with the potential to deliver further efficiencies has already been identified and has contributed towards year 1, 2 and 3 savings of Shropshire Council's Medium Term Financial Plan. These include Shropshire Libraries, Arts & Heritage, Outdoor Recreation as well as Leisure Facilities. These areas include the opportunity to generate increased income, reviewing service provision and staff resources, roles and remit.
17. **Short Term Service Efficiencies (1 year to 18 months)**
The Service Review has identified a number of potential services which could be delivered differently i.e. through alternative delivery models, and consequently more effectively.
18. These services are Leisure Facilities, Catering (in Leisure Facilities and across Culture & Leisure Services as a whole) and potentially Grounds Maintenance.
19. The Schools Library Service has also been identified and may sit better within Learning and Skills of the council. Whilst there is no efficiency savings to be gathered (it operates on full cost recovery from schools that but into the service) the strategic fit is more aligned in this area.
20. These short term service efficiencies now form part of a separate Cabinet Report which was presented to Members on 16 March 2011.
21. **Medium Term Changes to Service Delivery (18 months to 3 years)**
It is also clear from the Service Review undertaken to date that there are several existing Culture & Leisure Service areas about which the future

delivery option is less clear cut, this is because in some instances e.g. Archives, Records Management, Libraries and Rights of Way there are both statutory and non statutory functions involved. Future delivery of statutory functions of Local Government requires different consideration to non statutory elements.

22. In terms of the findings made to date, the options for the future delivery of Libraries, Arts, Museums and the Theatre need more detailed consideration given that all have a potential role in locality working through the 'locality hub model' (detailed below). In addition there are as yet undetermined factors influencing the way forward for these services, for example the recommendations of the Future Libraries Programme Review, the impact of the new Shrewsbury Music Hall in terms of revenue generation and potential opportunities presented by partnership working with other service areas such as the Youth Service.
23. In relation to the wider Culture & Leisure Services currently provided by Shropshire Council, there remain a number of delivery options including Trusts, Externalisation, In House Delivery, shared services and other partnerships.

Emerging Options for Future Delivery – Libraries, Arts, Heritage and Outdoor Recreation

24. Given the above, the following reflects Strategic Leisure's emerging thoughts, based on their work and that in relation to Libraries, plus the savings decisions already taken by Cabinet.
25. It is understood that the Future Libraries Programme review has identified a number of principles for future delivery of libraries, as follows:
 - The library services is seen as part of a core offer to the community
 - The library offer should be better linked into local delivery as part of community hubs
 - Co-location of service delivery is critical
26. In order to deliver the above, the agreed changes in delivery will need to be implemented. In other words, the key recommendations from the recent Mobile Library Task and Finish review which includes new routes which will now normally serve the rural areas. Mobiles will link into other opportunities for mobile service delivery and will focus outside a 2 mile catchment of the market towns.
27. As part of the changes envisaged, there will be a need to move the focus from buildings to library services, particularly at a local level; this will be facilitated and supported by significantly improved IT and digital services, both for frontline customers and back-off functions, and on-line services. There is an

obvious potential to link both records management and archives services into this overall approach on the basis of for example Local History Centres.

28. Given that there does not generally appear to be an appetite for 'shared' library services from neighbouring authorities it is considered more appropriate to facilitate 'shared' back office functions to realise efficiencies over book ordering, digital services, and other support services. At locality level there would need to be improved co-ordination and communication, plus development of an approach to delivering the Shropshire children's literacy strategy.
29. The above does have clear links with the delivery models proposed for leisure facilities and leisure development, although obviously there does need to be actual leisure facilities provided to enable their use (for example a swimming pool, sports hall, fitness suite).

Locality Hub Model

30. The delivery models envisaged comprise a 'locality/community hub' concept potentially applying in ALL market towns. In the main market towns this would be supplemented by a 'core' offer.
31. Assuming a core provision 'offer' in the main market towns which is based around a leisure facility (sports hall, swimming pool and fitness suite), managed externally, and access to main library services, there is clear potential for co-location and linkages between these services, possibly within the same building, where appropriate to the locality in terms of accessibility. Provision for customer services could also be made through the same building. This approach also assumes Shropshire Council grounds maintenance is managed externally.
32. The 'locality' or 'community' hub concept, would comprise dual-use leisure facilities, local library services, (could be co-located, or in a specific library building, depending on the specific opportunities/needs at local level), and outdoor recreation provision underpinned and supported by a multi-functional development team (working Shropshire wide), providing advice, support and professional expertise on sport and leisure, libraries, the arts, events, local history, heritage, and outdoor recreation (potentially also including general and the site specific Countryside Rangers). This team could work alongside the recently reviewed Community Action Team. Whilst it is suggested that the development support should be delivered by Shropshire Council, the other 'local' services could be the responsibility of the local community and locality partners (over time, depending on capacity/capability). This 'model' clearly highlights, as already identified, the real opportunities for linking other services into a locality hub approach, and particularly customer services and youth service provision.
33. Focusing on services rather than buildings could impact significantly through co-location, as the pilot currently being discussed in relation to Sundorne Sports Centre and Shrewsbury Sports Village. This model is now up and

running with the leisure service supporting use of the sports hall within the Youth Centre and dealing with all bookings and caretaking arrangements.

34. Equally, the existing operational partnerships at the Shropshire Hills Discovery Centre, Cleobury Mortimer, and the Severn Centre, Highley could provide potential models for delivery of a range of community-based, co-located services, (covering statutory e.g. libraries and non-statutory provision e.g. leisure). Such models reflect the essence of locality working, but to be sustainable in the long term, would need to be underpinned by financial and legal agreements (with Shropshire Council) aligned to an agreed business plan.
35. On the basis of the above (library services retained, but re-focused and delivered differently, but not externalised as a whole), one could explore further the external management of the arts and heritage, building-based services, through a trust, or on a commissioned basis. This could potentially be one trust, an extended remit for a trust appointed to manage the main leisure facilities (if this was the case), or a new trust.
36. Responsibility for statutory provision for example Rights of Way, archives, records management, could be retained in-house, or could be specified as part of an external contract on the basis of required outcomes.
37. Once decisions are taken concerning the externalisation of the main leisure facilities, and the way forward for libraries, this will establish major blocks of the future delivery model; the above concepts can then be tested and assessed (financially, legally and from an HR perspective) in more detail.

Financial Implications

38. The financial implications for the immediate short term efficiency savings (externalisation of some Leisure Facilities) is referenced in the separate Cabinet Report (16 March 2011).
39. In summary the estimate of savings for advertising Leisure Facilities on the open market is not an exact science. The ultimate competitiveness of the bid will depend on a number of things, not least the market interest and the competitiveness of the process. However it is certain that there will be significant savings through National Non Domestic Rate Relief.
40. In terms of further efficiency savings that may be possible from the medium term service areas identified, this forms part of Strategic Leisure's work between March and April 2011 and will be included in the final Report.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Human Rights Act Appraisal

The recommendations contained in this report are compatible with the provisions of the Human Rights act 1998.

Environmental Appraisal

A full environmental appraisal will be included as part of the final report from Strategic Leisure

Risk Management Appraisal

A risk management appraisal has been undertaken as part of the work undertaken to date.

Community / Consultations Appraisal

Consultation has been undertaken with arrange of stakeholders and elected members.

Cabinet Member

Councillor Steve Charmley – Culture and Leisure

Local Member

All

Appendices

Appendix 1 - Stakeholder Consultation