

Leisure and Cultural Services Options Appraisal Update for Overview and Scrutiny Committee on Mon 28th Nov 2022

In late 2021, the council commissioned SLC to conduct an options appraisal into the leisure and cultural services. The SLC report was thorough and made recommendations for both the future delivery of Leisure and Cultural services. A Cabinet report was brought to cabinet meeting held on 4 May 2022 presenting recommendations and next steps. At that meeting Cabinet resolved that;

- (1) The report is accepted and the actions noted.
- (2) The contract period with Aspire Leisure and Culture trust be extended by a further 12 months on the condition that a Partnership Development Plan is agreed for the duration of this extension.
- (3) Agreement is given to follow the recommended route to procure a new leisure contract from an external provider
- (4) In-house service is retained for Cultural services, whilst services are transformed in line with the council plan and options for future delivery of cultural provision are explored.
- (5) Delegated authority to implement these recommendations is given to the Head of Culture in consultation with the Director of Policy & Resources and Cabinet Member for Leisure and Culture.

The published REASON FOR DECISION:

The options appraisal makes the strongest case for procurement of a leisure operator to be procured through a market procurement exercise. The timeframe to ensure that the city council gets the best results from such a procurement exercise is recommended to be extended by 12 months with an interim plan to support the existing contract and create a smooth transition to a new contract. Cultural provision can be improved through efficiencies and careful planning, programming and investment with the correct business planning and focus. Gloucester is identified as a priority place for culture by Arts Council England, so is in a strong position to make the case for further investment into cultural services in the coming 3 years. This options appraisal makes clear that there are no significant advantages to outsourcing deliver of Cultural services and to maintain in-house service delivery for the time being.

Furthermore, the SLC report made a number of specific recommendations detailed here with comments reporting on progress and next steps in respect of each.

SLC made 6 recommendations for Leisure provision and 7 for Cultural services.

Leisure Recommendation 1

The Council should adopt procurement of a multi-site leisure trust operator as its preferred management option. In order to become 'procurement ready' the Council should extend the tenure of Aspire by at least one year through a different arrangement that enables the Council to have more control over the service whilst it prepares for the procurement. This will enable the Council to develop a strategic approach to leisure and enable it to develop a new sustainable leisure contract, focused on narrowing health inequalities.

Progress to date: ON TRACK

- GCC cabinet agreed to extend Aspire contract by one year to enable the council to ready itself for procurement.
- The new controls include PDP, monthly meetings, quarterly Strategic Meetings and regular Operations and Maintenance meetings.
- Ad hoc meetings take place in relation to the IT systems, CRM implementation as required.

Next steps:

- Continue to monitor performance at Monthly PDP meetings and as appropriate
- Aspire to provide usage reports once new CRM system is in place

Leisure Recommendation 2

To enable the Council to prepare for procurement, it should work with Aspire to establish a financially sustainable, jointly agreed plan covering from now until the end of the contract. The plan could be in the form of a Partnership Delivery Plan (PDP) which includes: • Contract extension to at least September 2024 • A sustainable financial plan which clearly identifies the level of Council support taking into consideration Covid recovery monitored through open book accounting.

Progress to date: ON TRACK

- Partnership Delivery Plan has been produced and agreed with Aspire Leisure Trust
- Regular budget meetings are held, Aspire sharing open book accounting with GCC
- Commitment to extend the current contract to Sept 2024 has been made
- The Aspire Board have formally agreed to the PDP and the contract extension
- Aspire provide monthly Cashflow reports to GCC
- Aspire have provided a budget for 2022-23 and 2023-24
- Finance officers of Aspire and GCC meet monthly to agree a Management Fee

Next steps:

- GCC needs to finalise the paperwork in consultation with One Legal on contract extension

Leisure Recommendation 3

The Council should develop a strategic approach for leisure that re-positions leisure towards contributing to narrowing health inequalities in the City. This should include a new performance management system that can be embedded into the new leisure contract.

Progress to date: STARTED

- A Sports and Activity Strategy has been commissioned by the council due for completion end 2022 which includes addressing health inequalities
- Using the Sport England recommended QUEST methodology for measuring performance is part of the PDP and will be part of the future contract procurement process
- Commissioning leisure expertise to help shape the contract prior to procurement and embed clear KPIs and performance management in future contracts. This should link back to the council's existing Pentana system of reporting which is used to monitor progress across all KPIs

Leisure Recommendation 4

The Council needs to understand the condition of its leisure facilities and their whole life costs for the next 10 – 15 years.

This will provide visibility of the whole life costings of the leisure facilities.

Progress to date: ON TRACK

- A fully costed Condition Survey of leisure facilities at Oxstalls and GL1 has been commissioned
- Initial investigations and site visits have taken place at Oxstalls
- GL1 visits and surveys are currently underway

Next steps

- Report due by end Dec 2022
- GCC to review the costs and analysis of the reports once received.
- Consider implications and possible approaches to finance and implement any changes / upgrades to the facilities.

Leisure Recommendation 5

The Council should review the client-side resources needed to initiate its plans to consolidate and transform leisure services. This includes developing and managing a Partnership Delivery Plan with Aspire and preparing for the subsequent procurement.

Progress to date: ON TRACK

- GCC has reviewed its capacity and is allocating resources accordingly
- Partnership Delivery Plan has been produced
- Procurement support is available from the County council procurement team
- Asset Management and Buildings support is provided by council officers

Next steps:

- Procurement of expert to help GCC develop new contract specification by early 2023

Leisure Recommendation 6

The Council should continue to work with the University of Gloucester at Oxstalls Sports Park with a view to having co-ordinated management arrangements for the tennis centre and University facilities. This includes undertaking a joint procurement.

This will enable development of a joined-up offer for residents at the sports park

Progress to date: **STARTED**

- UoG participates in quarterly Community User Group meetings with Aspire, GCC and local councillors to consider issues and any residents concerns.
- UoG is contributing to Sports Activity Strategy development
- Council officers in touch with UoG outside of formal meetings

Next steps:

- Head of Culture to meet with UoG regarding future contract specification
- UoG to feed into contract specification

CULTURE

Cultural Recommendation 1

The Council should retain its current in-house management arrangements for Cultural Services and focus on service transformation.

This will enable the Council to have the flexibility and control needed to transform services.

Progress to date: **ON TRACK**

- Transformation has commenced through the implementation of Guildhall Galvanised capital project
- Improvements to Guildhall completed during 2022 – enlarged bar, improved offer, upgraded facilities and tech, refurbishment and redecorations.
- Installation of state of the art fibre WiFi at Gloucester Guildhall with 1GB MBPS HFL broadband on a private fibre circuit on 1 Gb bearer with Cat 6A ethernet infrastructure

- Arts Council England's Museum Estates and Development (MEND) fund has been awarded and works will commence in 2023 – which will deliver improvements to the fabric of the building of the Museum of Gloucester, replacement boilers and more.
- Greater focus on income generation through development of exhibitions programme, events and income-generating hires.

Next steps

- Continue to implement a culture focused on strong business operating models across cultural activity.

Cultural Recommendation 2

The Council should complete a thorough strategic review of its Cultural Services. The review should identify options for transforming the service and how to maximise social value from its revenue and capital resources including challenging its current approach focused on cultural buildings.

This will enable the Council to review the cultural offer in the City as whole, and decide where it can most effectively develop and enhance cultural opportunities for visitors and residents with the resources it has.

Progress to date: **STARTED**

- Head of Culture has instilled a culture of commercial focus within the energies
- Guildhall Galvanised project has made improvements to the building to enable more commercial activity to take place, ie. larger bar, better facilities for room hires, WiFi.
- Improvements to processes within Festivals and Events to enable more activity to happen in the city – eg. Bright Nights and Kings Square programmes

Next Steps:

Head of Culture to research other cities and to review the previous work of FEI 2018 report into Festivals and Events provision in the city, working with the Culture Trust and partners to consider where best to deploy council resources.

Cultural Recommendation 3

The Council needs to understand the condition of its Cultural Services buildings and their whole life costs for the next 10 – 15 years.

Action to date: **STARTED**

- Asset Management strategy in development which will result in a more proactive approach to management and maintenance of the council's estate, including cultural venues

- Business planning ensuring continued investment into the facilities
- Condition reports of the Museum have been conducted recently for submission for MEND funding from Arts Council
- MEND – project has identified some failings and the condition report identified priority works required to Museum. MEND funding received will address these and make improvements to the Museum site.
- Guildhall has been refurbished and is structurally sound, with recent investment into the roof and solar panels. Internal redecorations have improved cosmetics. Café-bar completely gutted and rebuilt to modern standards.

Next steps:

- Continue to work proactively to maintain buildings by Asset Management team and staff working in the venues to undertake basic maintenance.
- Identify priorities for continued development and refurbishment of the buildings and ensure that proactive maintenance programme is planned. This will be done by the Senior Operations Officer within Cultural services in consultation with Asset Management team.

Cultural Recommendation 4

The Council should develop a suite of KPIs that help understand the usage of cultural services, the levels of resident and visitor engagement and subsidy levels for particular programmes.

This will enable the Council to understand about the effectiveness and efficiency of the current cultural offer and provide information to target service transformation.

Progress to date: **STARTED**

- KPIs in place across Visitor Experience and Cultural Development teams
- Reporting through Pentana system on Key Performance Indicators
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Next steps

- Establishing new data recording process for implementation April 2023 for NPO reporting to ACE on Gloucester Guildhall
- Appoint Senior Marketing role with overview of data and audiences for Guildhall, that will provide insights to rest of Culture service
- Improve our use of the new EPOS system implemented to capture audience data
- Better analysis of audience data to inform future programming and business modelling.

Cultural Recommendation 5

The Council should explore alternative uses and tenants for the Guildhall

This could improve the usage of the building and release significant revenue funding for transforming cultural services.

Action to date: **COMPLETED**

- Increased hire of spaces is already underway following the refurbishment in Oct 2022
- All available lettable space within the Guildhall has been explored and is available to hire

Next Steps: Guildhall Business plan being written

Cultural Recommendation 6

The Council should explore ways of growing its successful events and festivals programme.

This could potentially lead to higher levels of engagement with residents and visitors contributing towards a more vibrant city centre.

Progress to date: **COMPLETED**

- Launch of Kings Square
- Luminarium on Kings Square
- Developing signature events such as Tall Ships, Retro and others
- Support of events such as History Festival, 3 Choirs and others
- Development of 'Guildhall Presents' programme of outdoor / offsite gigs.

Next steps

- Develop and submit a funding bid for more ambitious festivals and events programming of Kings Square from 2023
- Bright Nights 2022-23

Cultural Recommendation 7

The Council should explore establishing a development fundraising trust for Cultural Services. Initially, this could be for the Museum of Gloucester.

This will enable the Council to access funding which it is currently not eligible for.

Progress to date: **STARTED**

- Culture Trust and GCC will work together to explore fundraising and new opportunities

Next steps: Head of Culture to undertake research into locations that have a successfully established development trust