

Fy Nghyf / My Ref: NRS/CW/PBr/ADM Inq

Dyddiad / Date: 26 November 2014



Councillor Peter Bradbury
Cabinet Member: Community Development, Co-operatives & Social Enterprise
City of Cardiff Council
County Hall
Atlantic Wharf
Cardiff
CF10 4UW

Dear Councillor Bradbury

ECONOMY AND CULTURE SCRUTINY COMMITTEE INQUIRY – ALTERNATIVE DELIVERY MODELS IN LEISURE AND CULTURAL VENUES – 19 November 2014

I am pleased to provide you with views of the Members of the Task and Finish Inquiry focussing on Alternative Delivery Models in Leisure and Cultural Venues following the meeting that took place on 19 November 2014.

The Members of the Inquiry are pleased to note that our previous input on this project has been considered, and it is clear that previous discussions and suggestions have been taken on board by yourself and the project team. Given the pressure that officers are under to achieve savings and proceed with the tender process, we are particularly glad our input had not been disregarded.

We would like to extend our thanks to the officers who attended the meeting, and it is clear to us that the project team is prepared, assured in what they are undertaking and have a vision for the future of Leisure and Cultural services in Cardiff. It was evident that officers are well informed on work that is ongoing elsewhere across the country and that significant market testing has been undertaken in relation to the procurement exercises, allowing the project team to gauge the level of interest in the Lots available and to anticipate the bids that are likely to be received.

The Members recognise the fact that the Council is looking towards a net zero subsidy for the services, and can see that this is being driven by wider budgetary pressures on the service. While we welcome this aspiration, we would not insist that this result is achieved if suitably attractive bids are received that do not provide a net zero subsidy position for the Council.

The Members of the Inquiry welcome the focus that is to be placed on the achievement of desired outcomes when evaluating the bids received, rather than the Council being overly prescriptive with the specifications that bidders must satisfy. As outlined by officers, we believe that this approach will enable innovation from the market and allow bidders to outline new opportunities and options for service delivery. We feel that this approach will provide scope for a range of bidders to be taken through the first stage of the procurement exercise, if not further through the process.

We welcome the approach that has been taken within the Leisure Facilities procurement, with four separate Lots available for bidders and feel it is clear that officers have put considerable thought into this Lot allocation. We feel the three single facility Lots will provide the opportunity for smaller operators/organisations to participate in the procurement, which would not been possible had the Council gone with fewer, larger Lots, while at the same time retaining a more substantial Lot that will be attractive to larger organisations.

Members were interested to hear about the use of the in-house service provision as a benchmark throughout the process, and welcome the fact that the Council's provision of services is still being driven to reduce costs and improve quality of service. We were informed that if the Council's provision remained competitive late into the procurement process it would be considered as a viable option. Members are keen to stress that we would welcome the retention of the service if the Council's service provision is found to compete with the options provided by the wider market.

As discussed with officers at the meeting, we would welcome the consideration of social objectives from service provision within the competitive dialogue process – such as the payment of the living wage to staff, reduced charges for Children who are Looked After and increased access for disadvantaged customers. Members view this as an aspiration and are not requesting the Council takes a prescriptive approach to this within the required specifications, but rather expect this to be considered and explored with bidders as the procurement process progresses, as was assured by officers at the meeting.

Finally, the Members of the Inquiry would like to reiterate the preferences given in the report produced in May 2014, that we would regard working with a partner organisation driven by social goals (such as a trust, charity or social enterprise) as our preferred option. We feel that this approach would provide a natural role for Elected Members and the Local Authority to contribute to the running of facilities, and feel these organisations would better address the social elements of the services provided in Leisure and Cultural facilities. Despite this preference, there is not an expectancy for this to become a limiting factor that rules out any bids received for any of the four Leisure Lots, or in the future Cultural Venues procurement, but rather an area that should be given due consideration through the procurement process.

The Committee welcomes its continued involvement in this project, and trust that our input will prove valuable in informing the specifications and evaluation criteria used through the competitive dialogue process.

Regards,

A handwritten signature in black ink, appearing to read 'Craig Williams', with a long horizontal stroke extending to the right.

Councillor Craig Williams
Chairperson Economy and Culture Scrutiny Committee

cc Chris Hesse – Director, Sport, Leisure & Culture
Malcolm Stammers – Operational Manager, Leisure & Play
Roger Hopwood – Operational Manager, Arts & Theatre
Cheryl Cornelius – Cabinet Office
Members of the Economy and Culture Scrutiny Committee.