



Briefing 15/44 August 2015

The Duty of Performance Improvement in Northern Ireland – Sports and Leisure Services.

To: contacts in Northern Ireland.

For information: contacts in England, Scotland and Wales.

Key issues

All NI councils have a duty of performance improvement

Sports and leisure services average performance data

Examples of performance measures for sports and leisure facility management

1. Introduction

Part 12 of the Local Government Act (Northern Ireland) 2014 introduces a general duty of improvement on the new councils in Northern Ireland - "A council must make arrangements to secure continuous improvement in the exercise of its functions". In discharging this duty a council must have regard to their need to improve the exercise of its functions in terms of strategic effectiveness; service quality; service availability; fairness; sustainability; efficiency; and innovation.

2. Sports and leisure facility management

Sports and leisure services may not be a mandatory service but it is commonly understood that they are vital to the wellbeing of local communities and this is even more so in the Northern Ireland context. These services make up a substantial element of the functions performed by councils in Northern Ireland and account for a significant portion of the budget. The links to health are obvious and the services act as a promoter of club based sports and to individual activity in general. Leisure centres and services provide full time and part time employment for younger adults from the locality as well as rooms for classes run by those renting space within leisure centres and for community activities.

As a discretionary service, providing evidence to justify spending is vital to the sustainable provision of sports and leisure services. The quality of the service and benefit to the community can only be gauged effectively if the performance of the service is managed adequately. Evidencing effective performance management of services is one of the aims of the duty introduced in the Act.

There are opportunities to link up the management of leisure services with sports promotion, the provision of parks and open spaces and wider health and wellbeing services.

3. Performance Frameworks

A performance framework will have a number of elements - local priorities identified in a corporate or annual statement; identifiable measures; a service review plan; data collection and reporting cycles; links to the budget and service planning cycle; a process for making performance information publicly available; a role for audit and scrutiny; and benchmarking activities.

APSE's Performance Networks model is a performance management and benchmarking model which works alongside the internal arrangements in place within a local authority to support performance improvement.

As with all good performance tools it is based on adequate and appropriate data. This is vital for the elements of a framework for example helping to identify and justify local priorities for action; providing relevant performance information for service users; making sure the audit role and scrutiny role can take place; and enabling the sharing of experience and expertise to lead to improvement through benchmarking.

4. Service related issues.

All services need a service plan which can identify the requirements for a service for the coming year and further into the future, set targets and explain how it fits into the wider perspective of the organisation.

There needs to be collection and analysis of data about the service to identify how well it is performing for management purposes, provide some context for those in an audit or scrutiny role to assess how well it is meeting its objectives and to keep the public informed.

The DoE has consulted on a number of existing performance indicators as the first step in establishing a set of measures for local government. These measures cover waste, economic development and planning.

The APSE Performance Networks templates report on a number of measures which cover the productivity, cost and efficiency of services. A number of examples derived from the sports and leisure facility management template are provided below.

The template is split so that comparisons are made between 3 different categories of facilities – 1. wet only facilities, 2. dry only facilities and 3. wet and dry facilities.

4.1 Sports and leisure facility management

| | |
|--------------------|--|
| Financial | PI 02a Subsidy per visit excluding corporate costs (includes non participatory usage but excludes free school use) |
| | PI 02b Subsidy per visit excluding corporate costs (excludes non participatory usage and excludes free school use) |
| | PI 11a Subsidy per visit excluding corporate costs (includes non participatory usage and includes free school use) |
| | PI 11b Subsidy per visit excluding corporate costs (excludes non participatory usage but includes free school use) |
| | PI 04 Customer spend per head |
| | PI 07 Staff costs per admission |
| | PI 13 Indicator for net cost per head of population (excluding corporate costs) |
| | PI 14 Net cost per household within catchment area (excluding corporate costs) |
| Staff | PI 08 Staff costs as a percentage of earned income |
| | PI 09 Staff costs as a percentage of total expenditure |
| Satisfaction | PI 20 Customer satisfaction performance indicator |
| Usage | PI 29 Usage per household within catchment area |
| Energy performance | PI 42b Electricity usage per facility user |
| | PI 42d Gas usage per facility user |
| | PI 42e Water usage per 1,000 facility users |
| | PI 42f Energy cost per user |
| Absence | PI 26a Percentage staff absence |

5 Average, highest and lowest performance figures

Average performance figures for those completing data from councils across the UK for some of the indicators highlighted above are shown below covering the year 2013-14. All fit the definitions provided as part of the Performance Networks model.

5.1 Sports and leisure facility management

| Indicator | Definition | Average | Highest | Lowest |
|-----------|---|---------|---------|--------|
| PI 02a | Subsidy per visit excluding central/corporate costs (includes non participatory usage but excludes free school use) | £2.60 | £8.66 | -£0.97 |
| PI 04 | Customer spend per head | £2.84 | £7.70 | £1.39 |
| PI 07 | Staff costs per admission | £3.41 | £9.15 | £9.15 |
| PI 08 | Staff costs as a percentage of earned income | 128.9% | 268.7% | 34.7% |
| PI 20 | Customer satisfaction performance indicator | 72% | 85.1% | 66.1% |
| PI 42b | Electricity usage per facility user (kWh) | 2.14 | 3.31 | 1.1 |
| PI 42d | Gas usage per facility user (kWh) | 10.21 | 14.43 | 0.59 |
| PI 26a | Percentage staff absence | 1.87% | 7.4% | 0% |

6. Sports and leisure issues

Customer receipts are essential to recovering expenditure not related to grant funding or ring fenced activity and PI 04 tracks this factor. The continuing wider economic position means that many people will still continue to be selective in determining value for money in managing their personal finances and disposable income. Both dry facilities and mixed wet and dry types continued to recover more of their expenditure through customer receipts.

Average usage per opening hour (PI 31) indicates that usage per opening hour is showing a gradual decline. This is a critical performance indicator for driving the delivery of cost economy by maximising revenue and sustaining usage within optimum opening hours.

Given the importance of staff in relation to income generation and customer satisfaction, set against the high percentage of cost that is associated with staffing, a number of indicators directly measure staff costs and productivity. Staffing as a percentage of total expenditure (PI 09) shows that staff remain as the largest cost associated with facility expenditure although that has now dropped below 60%. This may be as a result of reductions in staffing costs or by other maintenance and utility based costs rising.

7. Questions

The above measures have been arrived at after consultation with service managers from local authorities with responsibility for sports and leisure services. The information is needed to manage the operational side of the service and to keep senior managers and councillors informed of performance. The same duties now lie with managers in Northern Ireland and the model closely fits with their needs in this regard.

A number of questions arise when looking at the list of measures above:-

Q. Are these measures right for Northern Ireland?

Some of them will be appropriate and some may not. What is important is that the sector comes together to identify those measures that are correct for the new councils. The APSE model can be altered in terms of the

detail whilst still providing a huge amount of comparison and trend data from over 180 local authorities in the UK as well as acting as an internal model for benchmarking in Northern Ireland

Q. Do you have the data to complete this type of template?

All councils have data, and lots of it, within the organisation – and that includes most of the data needed to complete the measures. The problem is that it needs to be formalised, recorded and made available in an easy to use format.

Q. Do you have the resources for this type of work?

The larger councils should now have the scale to manage performance effectively. Some were not in that position under the old regime but the new duty of performance improvement means this is an area of work which can no longer be avoided. Once systems and a framework are in place and a culture of effective performance management exists, performance improvement is not an additional responsibility but becomes part of the normal day job.

Q. What other factors should be considered?

It is appropriate to ask managers whether they would be able to provide the data for the indicators highlighted above. The indicators all refer to important service matters such as cost and productivity and some would argue that those who are unable to provide this type of information, are equally unable to manage that service properly.

8. Five next steps

If you still have some way to go in terms of performance management data, what should you do next?

1. You should join with colleagues with similar responsibilities from other councils to identify those measures and data you will need to manage your service or to manage performance across the council corporately.
2. It is important that you begin to put systems in place which mean you can access the data you need on a regular basis.
3. The sector should take the lead on this agenda working with the Department to ensure arrangements are appropriate for councils primarily as well as meeting the Department's needs.
4. It is vital that any data collected is used. Local authorities should ensure that the senior management team, service managers, councillors and audit staff have the skills to analyse performance data.
5. Consider APSE's Performance Networks model as the tool to help you meet your responsibilities for performance improvement under the Act and instil a culture of performance management across your organisation.

9. Northern Ireland context

The measures noted above are some of those used within the existing full Performance Networks template. The new councils may not be in a position to collect this information for the financial year just passed from their predecessor councils. However they should have some historic performance data.

Trend data depends on having data from previous years available for comparison over time. As one of the aims of local government re-organisation was to improve services and make savings, it would be reasonable to

expect that predecessor councils had information in place which could be combined to make such comparisons. This information is available from other councils in the Performance Networks database.

The DoE has said that a set of measures will be introduced for local government to aid performance improvement and benchmarking. Ideally the councils should come together and work as a sector to take this agenda forward themselves rather than let the Department lead the way. The councils should work with the Department to ensure they put in place a framework which results in manageable arrangements being in place that enable the sector to improve and learn from each other – both in Northern Ireland and the rest of the UK.

10. APSE Support

APSE's Performance Networks is the largest public sector performance management and benchmarking model in the UK. It covers 14 service areas, many of which are directly applicable to the services provided by the councils in Northern Ireland.

It is an established model with 180 local authorities submitting data with a focus on sharing experience and expertise. Comparison of performance data and, more importantly, the processes that lead to good performance, helps the identification of better ways of working, improved outcomes and a sector which interacts for the benefit of all. We understand that collecting data is a pointless exercise unless it is used to improve services and inform interested parties. As such we run a series of benchmarking events to enable process benchmarking to occur.

APSE is in the process of developing new templates for services such as planning, economic development, culture, corporate services and building control for use in Northern Ireland.

Bearing in mind the amount of work involved in establishing and developing the new councils, re-inventing the wheel in terms of performance improvement and benchmarking is not an option in Northern Ireland.

This is one of a series of briefings APSE will draw up over coming weeks addressing performance improvement in both corporate and service areas.

Phil Brennan
Principal Advisor