

## 2. DRAFT TERMS OF REFERENCE FOR THE REVIEW OF SPORTS, LEISURE AND EVENTS

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The purpose of this report is to present the draft terms of reference for the review of the significant activity Sports, Leisure and Events.

### BACKGROUND

The Budget Scrutiny and Audit Special Committee has approved a rolling programme of reviews of significant activities (as set out in the Annual Plan) and this review is part of the rolling programme.

It is anticipated that each review will generally address the following:

- Identification of current Council resolutions and policy relating to the activity.
- Analysis of three year forward budget expenditure and funding methods.
- Analysis of 10 year capital programme including the status of significant capital projects, implication of programme for operating costs and key drivers of the capital programme.
- Identification of statutory and discretionary activities.
- Projects, programmes and outputs where duplication may exist with other public sector providers, the not-for-profit sector and the private sector.
- Realistic options for changes to services and to levels of service.
- Review of service delivery arrangements, including any changes in the recent past, comparative/benchmark costs where available. Realistic options for methods of service delivery, including co-ordination with other Council services, joint service provision with other agencies.

The above is to be considered in a triple bottom line framework.

The base year for comparisons will be the current financial year (2001/02).

The issues identified through the review process will be reported to the Community and Leisure Standing Committee as part of the consultation process and the Chair (or nominee) of the Committee is to be invited to join the Budget Scrutiny and Audit Committee as a voting member for the duration of the review.

The officer responsible for reporting review issues and outcomes to the Committee is the Principal Adviser, Director of Operations, Ken Lawn. The review team formed for each review is to be independent of the unit managing the outputs under review much in the same way that the Budget Scrutiny and Audit Committee is independent of the Standing Committees. This independence will be balanced by the Unit Manager and key staff attending review team meetings and being provided with the opportunity to state their viewpoint direct to the Committee where this is different to the conclusions reached by the review team.

### SPORTS, LEISURE AND EVENTS

Background notes covering the outputs, funding, structures and issues relating to the Sports, Leisure and Events business will be presented as part of the review process.

Council resolutions, policy and strategy relating to this business will be collated as part of the review process.

### REVIEW OBJECTIVES

The review will report to the following objectives:

1. (a) To identify the major cost and revenue drivers for the previous six years and the next five financial years.  
(b) To compare operating costs against actual and forecast CPIs for this period.  
(c) To evaluate options to reduce costs and/or increase revenues
2. To review the forward projections for capital expenditure at QEII Park to identify the relative merits of the proposed capital spending and to identify alternatives.
3. To review all current contractual arrangements relating to sports, leisure and events to ensure that:

- Council approved levels of service are being achieved;
  - Options for service delivery are considered; and
  - Contracts are efficient and effective.
4. To review management and governance structures to ensure that:
    - there is no duplication in roles and responsibilities, and therefore additional costs; and
    - they support the achievement of Council agreed sports, leisure and events goals and targets.
  5. To review Council owned sports, leisure and events infrastructure to ensure that Council investment is best utilised to achieve Council agreed goals and objectives.
  6. To review options for alternative levels of service.
  7. To review each output to determine which are statutory and/or discretionary activities and to ensure that the most appropriate method of service delivery is in place in light of potential and actual duplications and the roles of other service providers.

#### **PROJECT TEAM AND REVIEW TIME-FRAMES**

The project team for the review is as follows:

Ken Lawn – Director of Operations, Project Sponsor  
Ian Hay – Director of Business Projects, Project Leader  
Independent person(s) – candidates to be advanced for consideration  
Chris Kerr and Lorie Jean Roff – Business Improvement  
Richard Simmonds – Finance Directorate  
Martin Maguire – Community Relations

The review is to commence in May 2002 and be completed by July 2002.

The terms of reference for the above review have been approved by the Chairman of the Community and Leisure Committee.

**Recommendation:** That the terms of reference for the review of Sport, Leisure and Events be endorsed.