

NAME OF COMMITTEE	Community Services Committee
DATE	Tuesday 10th September 2013
REPORT TITLE	Leisure Centre Contract Monitoring
Report of	Ross Kennerley – Natural Environment and Recreation Manager Jon Parkinson – Leisure Contracts Manager
WARDS AFFECTED	All

Summary of report:

This report highlights current performance and key issues of the leisure centre management arrangements with Leisure Connection (LC).

Financial implications:

The overall budget for 2013/14 is approximately £395,000 which includes the key costs of the contract management fee of £326,000 and £47,475 for repairs and maintenance.

RECOMMENDATION:

It is recommended that the Committee notes the current contract performance and welcomes increases in current usage figures.

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1. BACKGROUND

- 1.1 This report provides an update on current monitoring issues relating to the performance of the leisure contract with Leisure Connection, for the provision of management services at both Meadowlands (Tavistock) and Parklands (Okehampton) Leisure Centres.
- 1.2 Members will note the Council's approval of the extension of the leisure contract up to a maximum of 2 years to November 2016 back in April. This has also allowed a restructuring of the relationship between the Council, Leisure in the Community and Leisure Connection.

2. ISSUES FOR CONSIDERATION – CONTRACT PERFORMANCE

Usage & Quality

- 2.1 Current usage figures for both leisure centres are outlined below for Q3, including July figures, (1st October 2012 – 31st July 2013) with a comparison to previous years for the same period. Both centres have seen their overall attendances increase compared to previous like figures;

First 10 months; Oct – July			
Site	2012/13	2011/12	2010/11
Meadowlands - Swimming	65,531	59,381	54,739
Parklands - Swimming	47,657	44,324	37,122
Parklands - Fitness	54,521	41,815	20,576

- 2.2 Meadowlands key usage figures;
- Increases in usage maintained across adult swimming and classes. Recent wet and wild sessions during summer holidays have proved popular.
 - Swim memberships have increased again to 342.
 - Swim school numbers continue to grow now reaching 368.
- 2.3 Parklands key usage figures;
- Swim memberships stand at 83 and swim school numbers are at 380.
 - Swim school and one to one lessons have shown good growth again.
 - Fitness use and memberships have increased with 878 members, also strong demand for personal training.
 - More fitness classes have been timetabled, along with regular gym challenges.
 - Overall attrition rate stands at just 1.74%, well below the industry average.
- 2.4 GP Referrals are offered at Parklands from Okehampton Medical Centre and Lifton Surgery. This service receives no funding from the health bodies and has attracted 31 people so far. As well Leisure Connection has submitted a tender proposal for the Devon Weight Management Programme; however DCC has now put this tender on hold.

Repairs & Maintenance / Asset Management

- 2.5 Recent key works that have taken place at both sites are as follows with such works being part of Leisure Connection's maintenance costs and the Council's allocated revenue maintenance budget;

Meadowlands:

- Proposed Works;
Works on the external lighting, re-grouting of the changing room floor and improvements to the toilet areas are scheduled to be completed in September.

Faults on pool air handling electric motors being investigated by LC and their specialist contractor. However this has now been repaired by SHDC's in-house electrician at a much lower cost.

- Completed works;
External redecoration, emergency lighting upgraded and safety line system installed on roof.
- Other Works;
Defects liability on the new boilers ends 7 September 2013. Retention of £1649 will be due.

Parklands:

- Proposed Works;
LC will be making repairs to the air conditioning in the studio and gym as soon as possible. Engineers still assessing faults.
- Completed Works;
External paths cleaned, potholes in entrance road repaired and various drain cleaning completed.
Replacement front door, upgrading of gym TVs and repairs to gym equipment.

2.6 Both centres will be having their 6 monthly internal Health and Safety and Pool Safety Audits carried out in September. Also Leisure Connection is launching a programme of quality accreditations across various operational management areas, including health and safety.

Customer Feedback / User Groups

2.7 Recent customer comments for April – July 2013 for both sites show;

Meadowlands;	14 negative	27 positive
Parklands;	12 negative	19 positive

2.8 The Meadowlands User Group met in July and The Parklands User Group last met in May, both groups had positive feedback. Along with other customer feedback, recent key issues raised are as follows;

Meadowlands:

- 17 positive comments on customer service, such as praising reception and aqua teachers.
- 3 negative comments on cleanliness in changing rooms and toilets, which were reported and cleaned at time. Just 2 negative comments on pool temperature. Other single comments were varied from price too high, website not updated, no mid week junior wet and wild and outdoor slide being overgrown.
- The User group issues over changing room floor cleaning and condition of toilets off the corridor will be addressed by future works.
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Parklands:

- 12 positive comments on customer service on staff being helpful and compliments on improvements to gym.
- Only 1 negative comment on poor cleaning and 5 comments on poor air conditioning. Other comments were varied, stating incorrect activity details given out, hair dryers and poor coffee.

Marketing Initiatives

2.9 All marketing and publicity materials reflect the partnership management agreement with the key objectives of increasing the frequency of participation and broadening the range of activity across all sections of the community.

2.10 Recent initiatives have included;

- 50% off member joining fees
- Junior swim challenge – 16 swims at £1 each
- Swim Spectacular – promotions on crash courses, lessons, swim school, rookie lifeguarding and swim challenge awards.
- Attendance at Okehampton Show and Town Centre event. Also part of West Devon Connect Outreach.

3. LEGAL IMPLICATIONS

3.1 The provision of leisure services is a discretionary activity. The Council has powers to deal with leisure facilities under the general power of competence provided by Section 1 of the Localism Act 2011 and s19 of the Local Government (Miscellaneous Provisions) Act 1976.

4. FINANCIAL IMPLICATIONS

4.1 The Leisure Contract maintains its regular monthly financial payments to enable Leisure Connection to fulfil its business plans and operational arrangements for the running of both centres.

4.2 Ongoing repairs and maintenance obligations on WDBC are met from the allocated maintenance budgets. Anticipated capital works will be reported against the capital programme.

4.3 The approved contract restructure will enable LiTC to achieve VAT savings as well as their NNDR savings. The leisure contract budget for 2013/14 has been amended to reflect the annual savings offered to the Council from this restructure.

5. CONCLUSION

5.1 As previously reported the relationship and partnership work with Leisure Connection / LiTC has improved over the past few years and with the recent work on the contract extension, this has continued. This is reflected in contract performance improvements across usage and customer feedback.

6. RISK MANAGEMENT

6.1

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Poor Contract Performance	Leisure Connections underperforms with financial and customer implications	5	2	10	↓	Regular contract performance monitoring and review measures implemented as required.	Head of Assets
2	Legislative changes on current financial arrangement	Failure of Council to receive full benefit of savings if finance or tax regime changes	4	2	8	↔	Early warning of legal changes that enable financial risk management	Head of Finance
3	Repairs, maintenance and life cycle costs	Ongoing costs of routine and lifecycle maintenance increase.	5	2	10	↓	Regular monitoring and inspections of centres. Overall asset management of centres, including site condition surveys. Cost benefit assessment of works in light of strategic review.	Head of Assets

Corporate priorities engaged:	Community Life
Statutory powers:	As above
Considerations of equality and human rights:	No issues identified
Biodiversity considerations:	No issues identified
Sustainability considerations:	Leisure Connection energy audit and carbon footprint reduction.
Crime and disorder implications:	Links to reduced crime and anti social behaviour.
Background papers:	Leisure Services Management Contract – Leisure Connection
Appendices attached:	