

The Vale of Glamorgan Council

Healthy Living and Social Care Scrutiny Committee: 4th December 2018

Report of the Director of Environmental and Housing Services

Leisure Management Contract - Year 6 Performance Report

Purpose of the Report

1. To provide an update on the performance of the Leisure Management Contract.

Recommendations

1. That Committee notes the performance of Legacy Leisure.
2. That a year seven annual report is presented to this Scrutiny Committee in December 2019.

Reasons for the Recommendations

1. To note the performance of the contractor in Year 6 of the contract.
2. To enable the Committee to be regularly updated on the performance of the Leisure Management Contract.

Background

2. Committee will be aware that the Council's Leisure Management Contract was awarded to Parkwood Community Leisure and commenced on 1st August 2012 for a period of ten years. The award of the contract followed an extensive procurement process and set out to significantly reduce the revenue cost to the Council of its Leisure Centres operation. The contract was subsequently sub-contracted to Legacy Leisure, a not for profit charitable organisation, in October 2014 that provided the opportunity for further savings to be made. Cabinet recently granted permission for this to be extended by a further 5 years subject to successful negotiations being concluded with Parkwood / Legacy on a number of issues that have arisen since the commencement of the contract. These negotiations are currently on-going.

Relevant Issues and Options

3. Attached at Appendix 'A' is the executive summary from the year 6 annual report from Legacy Leisure. Committee will note that the annual report follows the format of the monitoring checklist discussed previously, which highlights parts of the contract

and specification that Legacy Leisure are required to report on. The Council's new team approach to monitoring the contract has now also been fully established utilising specific officers within the finance section, property section and, when required, the human resources section, in addition to officers from Neighbourhood Services and Transport.

4. The annual report highlights a number of successes achieved during the year including paid visits to the sites which are in excess of 750,000 (Barry and Penarth Leisure Centres continue to be the most visited indoor facilities owned by the Council), over 5000 fitness members (an increase of 5.5%) and maintaining swimming lessons numbers at the previously reported high numbers. Continuing efforts were also made to improve the environmental efficiency of all buildings although larger gains are expected in the coming year with plans for PV units at Cowbridge and new more efficient plant associated with the changing room works in Barry and Penarth. One incident relating to Health and Safety was reported via the RIDDOR process within the number of accidents falling by 9.88%.
5. Staff training continued to be a priority for Legacy Leisure in areas such as lifeguarding, first aid, and health and safety. Facility upgrading saw new equipment introduced into a number of gym facilities, more spinning opportunities delivered and the roll out of new technologies including an online system that allows parents and children to track progress on swimming lessons. Several new initiatives are already underway this year, notably the upgrading of the changing areas, improvements to the fitness offer at Cowbridge and replacement of the roof at Cowbridge complete with added PV panels.

Resource Implications (Financial and Employment)

6. Under the terms of the contract which is commercially confidential, Legacy Leisure is now paying the Council for the delivery of this service.
7. The Council's capital programme contained the following budgets for 2017/18 (year 6 of the contract) are set out below:

Scheme	2017/18 Capital budget £
Barry and Penarth Leisure Centre Upgrade Changing Rooms	1,682,000
Barry Leisure Centre Hall Floor	200,000
Cowbridge Leisure Centre Roofing	300,000
Cowbridge Leisure Centre Electrical Works	216,000
Llantwit Leisure Centre Electrical Works	242,000

Sustainability and Climate Change Implications

8. Many of the improvements carried out as part of the Condition Survey works at the commencement of the contract have increased the effectiveness and efficiency of major items of plant within the Leisure Centres. This is intrinsically linked to the Council's sustainability and climate change objectives. The planned works on the changing facilities will also increase energy efficiency.

Legal Implications (to Include Human Rights Implications)

9. There are no specific legal implications associated with this report.

Crime and Disorder Implications

10. There are no significant crime and disorder implications associated with this report.

Equal Opportunities Implications (to include Welsh Language issues)

11. Legacy Leisure has continued to demonstrate its commitment to equal opportunities during year six of the contract.

Corporate/Service Objectives

12. Well-being Outcome 4: An Active and Healthy Vale:

Objective 7: Encouraging and promoting active and healthy lifestyles.

Work in partnership to deliver a range of activities through our leisure and community facilities and parks to increase levels of participation and physical activity.

Policy Framework and Budget

13. This report is within the policy framework and budget.

Consultation (including Ward Member Consultation)

14. No ward member consultation has taken place as the Leisure Management Contract delivers services across the whole of the Vale of Glamorgan.

Background Papers

Annual Report from Legacy Leisure

Contact Officer

David Knevelt, Operational Manager

Officers Consulted

Operational Manager; Accountancy
Operational Manager, Property
Financial Accountant - Environment and Housing
Committee Reports - Legal
Operational Manager Human Resources

Responsible Officer:

Miles Punter, Director of Environment and Housing Services

Vale of Glamorgan Leisure Contract

Annual Report 2017/18 (Year 6)

Leisure Contract Summary

The Vale of Glamorgan Council's leisure facility provision has been operated under contract to Parkwood Community Leisure since August 2012. A ten year contract was awarded due to expire in 2022, with the option to extend the contract by a further five years. The contract was subcontracted to Legacy Leisure in April 2015.







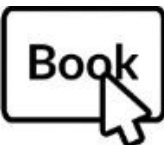

During the contract handover in 2012 / 2013, significant improvement project works were undertaken to restore and enhance the existing facilities. Since Parkwood Community Leisure / Legacy Leisure have been responsible for the operation of the Leisure Centres, there has been substantial improvements in business performance including significant growth in fitness memberships, swimming lesson numbers and participation.

Executive Summary

This report covers the annual service period from 1st August 2017 to 31st July 2018.

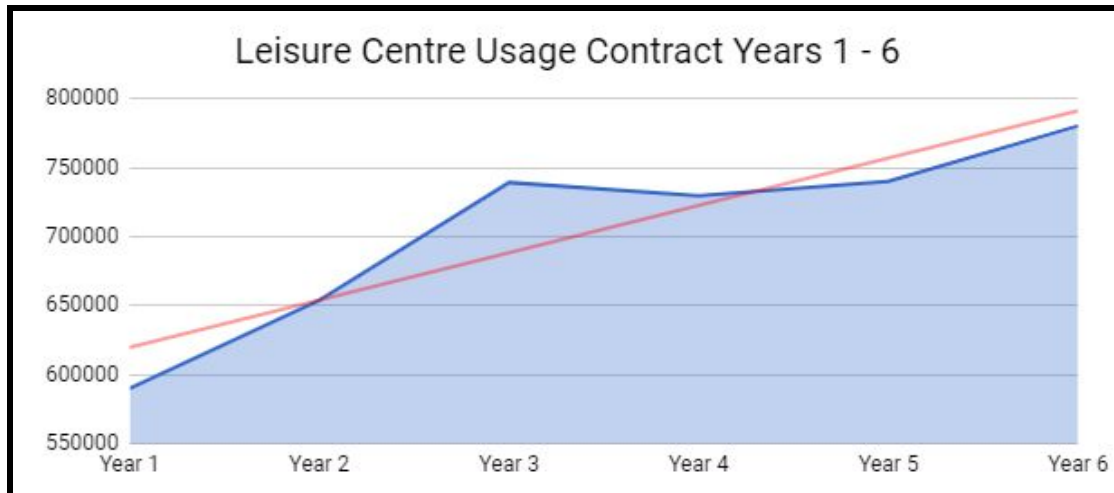
Legacy Leisure and The Vale of Glamorgan Council have continued to work closely together to develop and enhance the service. As a result of the successful partnership and shared ambition, efforts have been undertaken to exercise the five year contract extension aiming for implementation within 2019. This would include a number of variations including the future of Holm View Leisure Centre, parking strategy (especially at Barry) and the inclusion of the Colcot 3G surfaces.

Key Usage Statistics

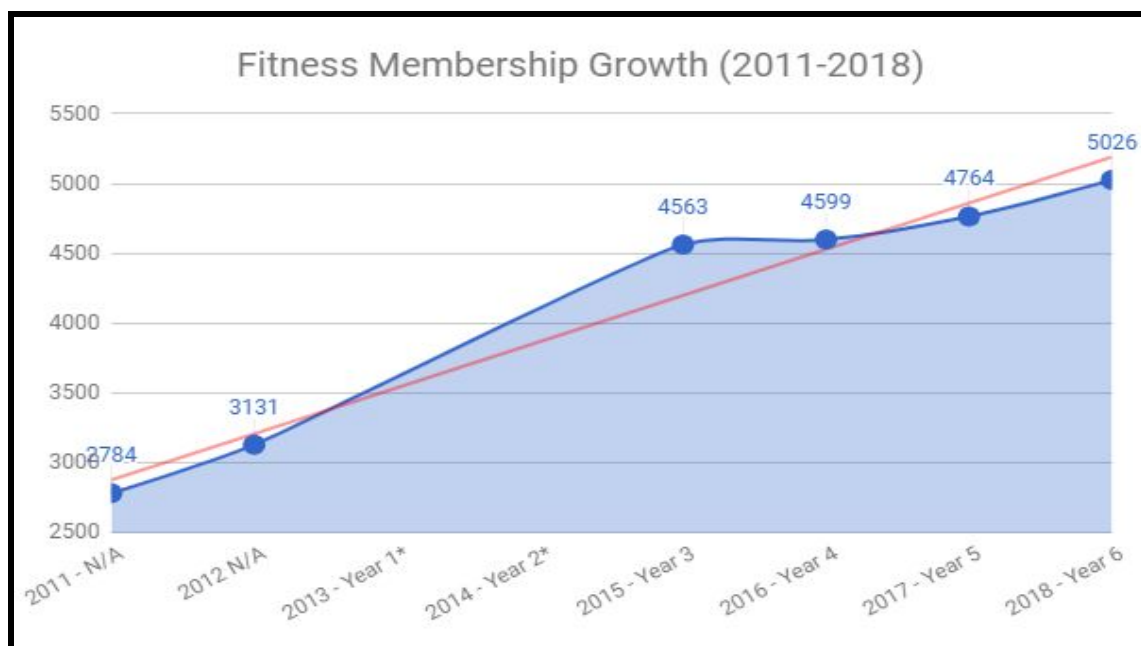
	780,414 Visits
	5,026 Fitness Members
	1,605 Swimming Lesson Customers
	121,961 Classes attendees
	243 Minor accidents and 1 RIDDOR
	421,282 Website page views
	48,257 Online Bookings
	6,418 Facebook likes

Participation Figures

Leisure Centre Usage has seen growth of 19.34% between years two and six of the contract. Further to this, growth has been seen between years five and six of 6.95% / 40,355 visits, with a trend of participation continuing to rise. During contract year 6 the Vale of Glamorgan Leisure Centres was host to 780,414 recorded customer visits.



The Vale of Glamorgan Leisure Centres now maintains over 5,000 fitness members, providing our customers with unlimited access to the gym, group exercise classes, swimming, health suite facilities and more. Fitness Membership growth has continued across the contract with an impressive 5.5% increase year on year, an additional 262 members across all the centres (as of July 2018).



Swimming Lessons have grown again and the contract now hosts in excess of 1,700 swimmers each week. This is following last years significant growth of 450 weekly swimmers.

Below is a demographic plan of our Fitness, Swimming Members and Swimming Lesson customers residential locations to all of the leisure centres:

Key

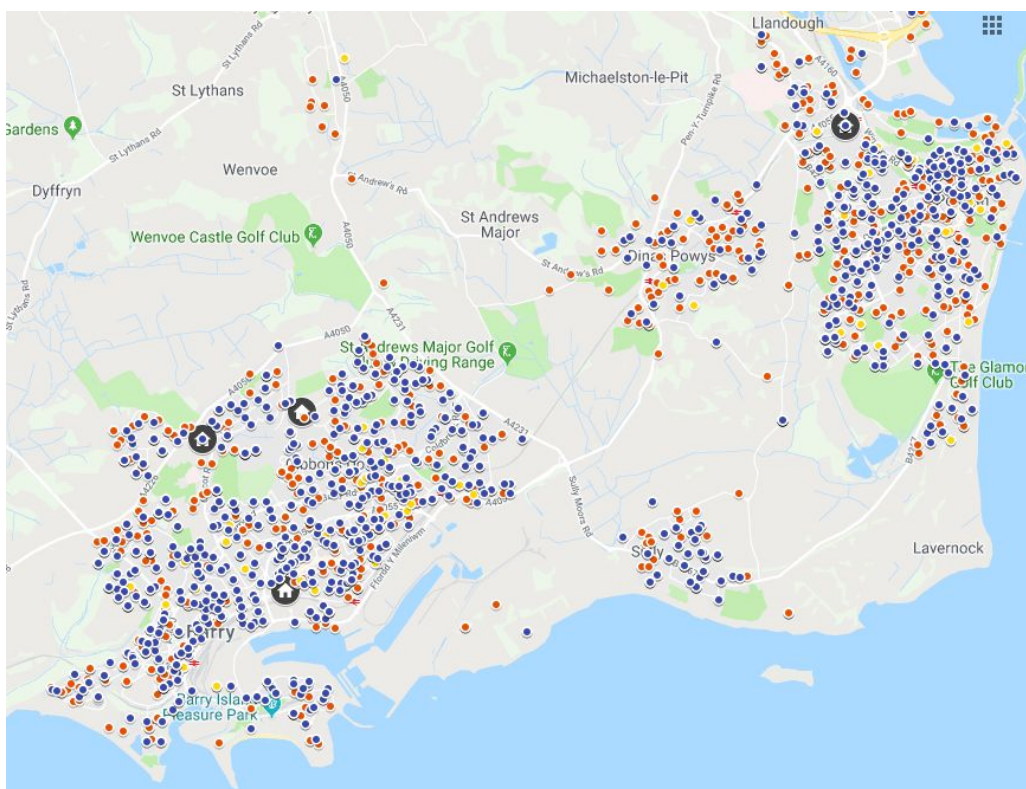
Leisure Centres - Black home symbol

Fitness Member - Red dot

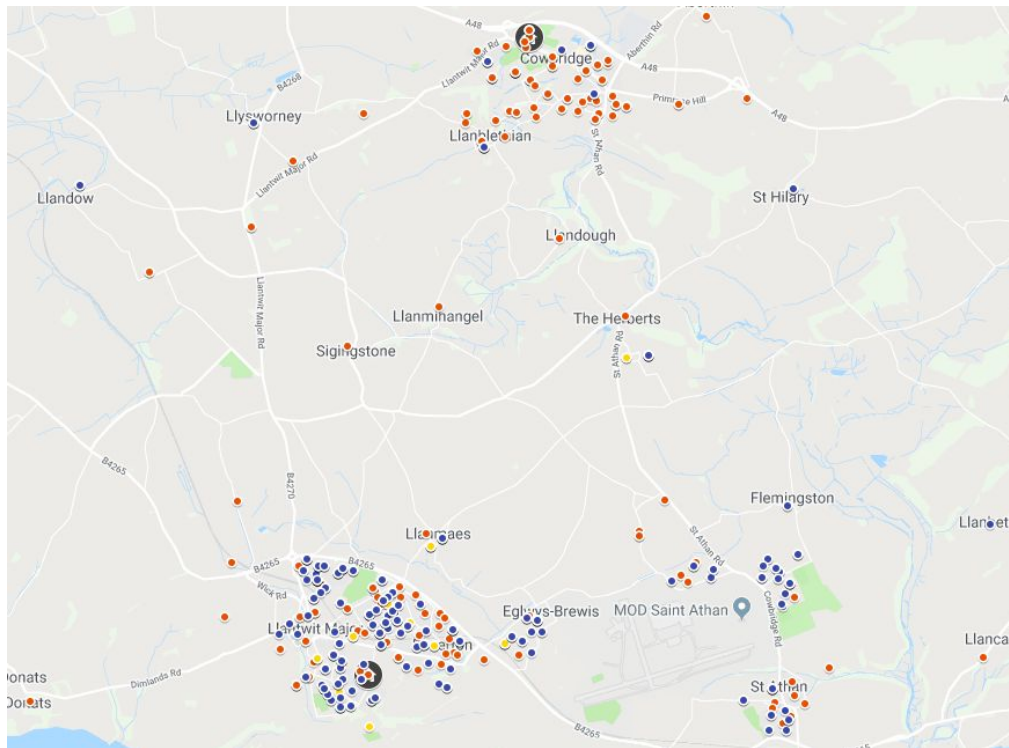
Swimming Member - Yellow dot

Swimming Lesson Customer - Blue dot

Barry and Penarth:



Cowbridge and Llantwit Major:



Facility Developments

During the sixth contract year Legacy Leisure embraced new technology to introduce Virtual Group Exercise Classes at Penarth Leisure Centre, and are introducing the same service at Barry. This allows us overnight to dramatically increase our group exercise programme, offering a unique experience to our customers. New fitness equipment was introduced into Barry and Penarth to supplement the existing provisions and Cowbridge received a full upgrade to its Cardiovascular equipment. The swimming lesson programme rolled out Course Pro, an online platform that allows live tracking of swimming lesson progression for parents to see how their children are improving, what they are learning and what they need to do to move up to the next wave.

The centres have begun a redecoration programme which included a full repaint of the fitness gym facilities at Barry and Penarth replacing the dated pastel colours with a more modern grey / silver colour scheme. Llantwit Major and Cowbridge are scheduled to be completed in the next contract year.

Llantwit Major experienced a gym redesign to better reflect how our customers use the facility, primarily this included in creating designated areas for the specific training elements of Cardiovascular (CV), Resistance and Core Training. The next stage is to upgrade the CV equipment which is due to take place at the end of 2018.

Cowbridge has equally experienced a redesign of its fitness spaces including the inception of a Function Training Studio introducing an additional 24 stations, upgraded CV equipment and relocation of group workout spaces to accommodate a more positive customer journey within the facility.

Significant facility developments are on the horizon which are being pursued by the Vale of Glamorgan Council and supported by Legacy Leisure. These include upgrades to the changing facilities at Barry and Penarth Leisure Centres, health and safety improvements to the electrical systems (completed at Cowbridge, underway at Llantwit Major, with Barry and Penarth to follow), resurfacing of the sports hall at Barry Leisure Centre, and a replacement roof including PV installations at Cowbridge.

Barry Leisure Centre has begun to renovate the currently disused old Health Suite Area, converting it into a series of offices and meeting room space available for community use and internal meetings / training courses. This is hoping to launch early 2019.

Environmental

The leisure centres continue to be operated in an environmentally sensitive manner, exploring a variety of energy saving methods and practices on a daily basis.

Display Energy Certificates (DEC) highlight a contract wide average Energy Performance Operational Rating score of 55.4 against the typical benchmark of 100 for the facility type. This represents an improvement of 4 points on the previous year.

Utility consumption comparisons year on year have demonstrated a slight increase in electricity consumption of 0.6% / 6,372.71 kWh, maintaining last years improvements of 6.86% / 78,801 kWh. Gas consumption increased by 1.14% / 80,543 kWh, this is due to the significant cold weather experienced during the year, highlighted by the impact of Storm Emma during March / April 2018.

Health & Safety

Throughout year six of the contract a number of significant changes have been implemented in order to achieve the ISO 45001 accreditation, a target for year seven of the contract. ISO 45001 is the world's first International Standard dealing with health and safety at work, providing a clear framework for all organisations wishing to improve their Health and Safety performance for its employees and visitors.

This resulted in an overhaul of our NOP / EAP documentation, greater involvement / consultation with junior staff members in their centres health and safety, a revised auditing format and a number of initiatives aimed at reducing risk. An example of this is the introduction of chemical auto-dilution within the centres whereby chemicals are automatically diluted with the incoming water supply to avoid unnecessary contact with concentrated and potentially hazardous chemicals

Reported accidents reduced by a significant 9.88% year on year and the contract reported only one RIDDOR within the contract period.

Comprehensive Staff Training Programme

Legacy Leisure's online e-learning programmes covering modules such as the company's health and safety induction and safeguard training have seen the completion of 1760 modules to date, 168 during the report period.

A continuous training programme is operated including regular twice monthly staff training covering elements of lifeguarding, first aid and H&S training. A large focus has been applied to apprenticeships during the report period, both of new starters and the upskilling of existing members of the team.

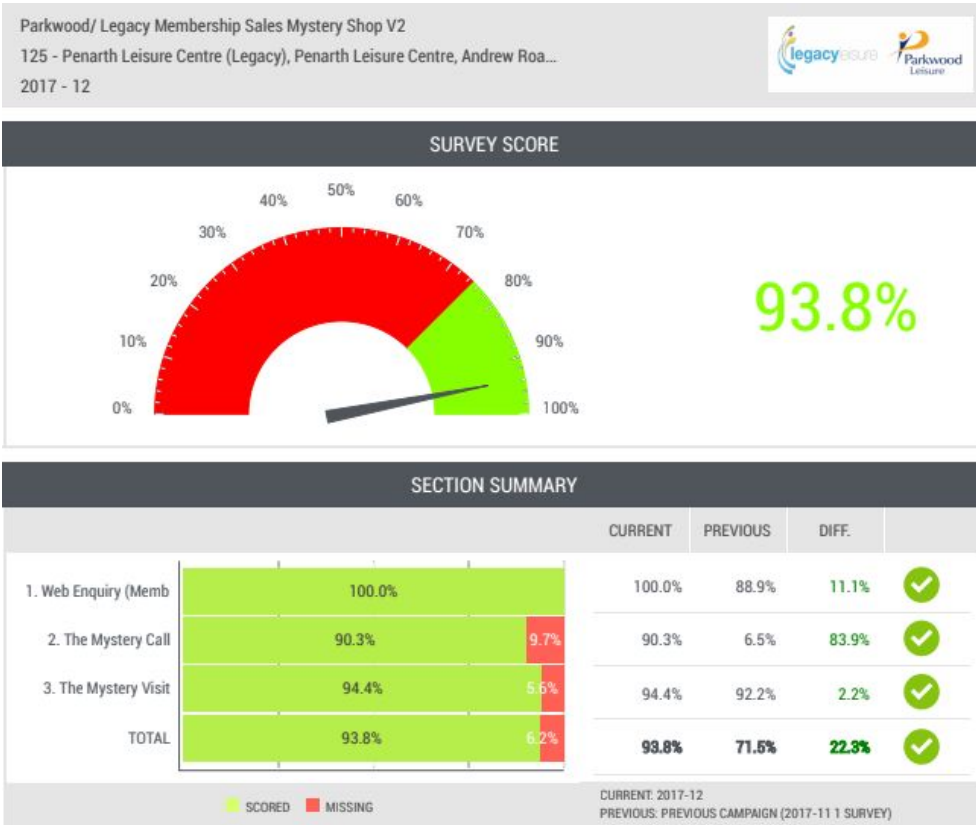
Customer Surveys / Feedback

In order to ensure the centres continue to meet and surpass the expectations of our customers, monitoring and reporting on customer feedback takes place on a regular basis. There are many ways customers can provide feedback. It can be done online, via email, the website (leisurecentre.com) and Facebook, as well as in person at each leisure centre.

Throughout 2017 / 2018 the emphasis on customer retention has been at the forefront of Legacy Leisures business aims. A number of steps were introduced to make new and existing customers feel more welcome in our centres as well as more appropriately assess their needs to improve their experience with us. These changes, among others has result in an improved member attrition rate of 7% year on year. This equates to retaining approximately 300 members that the year before would have left our centres.

As part of Legacy Leisures commitment to customer service it part takes in a mystery shop programme which aims to provide an unbiased assessment on the customer experience. Below are the results from Barry and Penarth during the report period:





End