

Meeting of:	Healthy Living and Social Care Scrutiny Committee
Date of Meeting:	Tuesday, 11 February 2020
Relevant Scrutiny Committee:	Healthy Living and Social Care
Report Title:	Leisure Management Contract – Year 7 Performance report
Purpose of Report:	To provide an update on the performance of the Leisure Management Contract.
Report Owner:	Report of the Cabinet Member for Leisure, Arts and Culture
Responsible Officer:	Miles Punter - Director of Environment and Housing
Elected Member and Officer Consultation:	Accountant Environment and Housing Legal - Committee Reports Operational Manager - Property Operational Manager - Accountancy
Policy Framework:	This report is a matter within the Policy Framework and Budget.
<p>Executive Summary:</p> <ul style="list-style-type: none"> • The Leisure Management contract is now into year 8 in an initial 10 year contract. The potential 5 year extension to the contract is currently being negotiated having been approved in principle by Cabinet. • Legacy Leisure, the Council’s Leisure management contractor is required to produce an annual report detailing performance, service improvements and any operating issues. This report is presented to the Healthy Living and Social Care Scrutiny Committee to allow Committee to assess the performance of the Leisure Management Contract over the past 12 months. • The year 7 report demonstrates that despite some challenging market conditions and disruption to services with upgrading works, performance has remained consistent with previous years. 	

Recommendation

1. That Committee notes the performance of the Legacy Leisure Contract for year 7.

Reason for Recommendation

1. To note the performance of the contractor during this period.

1. Background

- 1.1 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 with the potential for a further 5 year extension. 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 and this provided the opportunity for further savings to be made. Cabinet has now granted permission for the contract 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.

2. Key Issues for Consideration

- 2.1 Attached at Appendix 'A' is the executive summary from the year seven annual report from Legacy Leisure.
- 2.2 The annual report highlights a number of successes achieved during the year including paid visits to the sites which continue to be in excess of 750,000 (Barry and Penarth Leisure Centres continue to be the most visited indoor facilities owned by the Council), 5168 registered fitness members and over 1,700 customers attending swimming lessons every week.
- 2.3 Several improvements were also reported throughout the year including the provision of a new training studio at Cowbridge Leisure Centre, the development of the former health suite in Barry into a new community meeting room / staff training facility and the redecoration of Llantwit Major Leisure centre.
- 2.4 The Leisure centres also continued to improve their environmental impact with electrical rewires of Barry, Cowbridge and Llantwit Major providing the opportunity to introduce LED lighting amongst other energy saving features. A rewire of Penarth is due to commence shortly.
- 2.5 Legacy Leisure, as part of the wider Parkwood group also successfully achieved ISO 450001 accreditation. ISO 45001 is the world's first international standard addressing health and safety at work, providing a clear framework for

organisations intent on improving health and safety performance for both employees and customers.

- 2.6 Customer feed back continues to meet expectations with the main area of dissatisfaction being outside of Legacy's control. The main area of dissatisfaction continues to be Car Parking at Barry Leisure Centre. Efforts are made to improve this within the contract extension negotiations.
- 2.7 It should also be noted that year seven of the contract was subject to considerable interruptions to normal service delivery with contractors undertaking significant changing room refurbishments at Barry and Penarth. Committee will be aware that a number of issues have arisen with these works such as drainage and floor levels that has considerably extended the time taken to complete works.
- 2.8 As in previous years a representative from Legacy Leisure will be at the Committee Meeting and there will be an opportunity for members to ask questions. Also due to the use of colours and fine print in the Annual Report (Appendix A) the report will be shown electronically on a large screen at the meeting.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 The Well-being Outcome 4: An Active and Healthy Vale:
- 3.2 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.

Long Term: The long term future of the Leisure Centre is being safeguarded by both the proposed contract extension and the continuing upgrading works.
- 3.3 Prevention: The Leisure Centres already make a significant contribution the Council's well-being objectives and further investment will provide new opportunities for residents to take up new physical activities. Remaining fit and healthy is the best prevention known for residents to enjoy healthy lives and the partnership with Legacy Leisure demonstrates the Council's commitment to long term health objectives for its residents and visitors.
- 3.4 Integration: Leisure Centres already link with health services with services such as the GP referral scheme and provide a base for many Sports Clubs to offer opportunities to residents for both competitive sport and well-being activities.
- 3.5 Collaboration: The Leisure management contract is a good example of a collaboration project within the Council demonstrating how an external 'not for

profit' organisation, Legacy Leisure, and the Council can work together to provide quality services.

- 3.6** Involvement: Legacy Leisure regularly consults with customers about future requirements and many of the initiatives presently offered at the sites are as a direct result of this.

4. Resources and Legal Considerations

Financial

- 4.1** Under the terms of the contract, which is commercially confidential, Legacy Leisure is paying the Council for the delivery of this service.
- 4.2** The Council has funded capital works at the leisure centres including upgrades to the changing rooms at Barry and Penarth Leisure Centres and electrical rewiring at Barry, Cowbridge and Llantwit, with electrical works recently commenced in Penarth. Budgets for further works have been approved for a new hall floor at Barry Leisure Centre and reroofing at Cowbridge Leisure Centre.

Employment

- 4.3** Equal Opportunities is however an important element of service delivery with the contractor committed to following the Council's policies.

Legal (Including Equalities)

- 4.4** There are no specific legal implications associated with this report.

5. Background Papers

Annual report from Legacy Leisure.

Vale of Glamorgan Leisure Contract

Annual Report 2018/19 (Year 7)

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Leisure Contract Summary

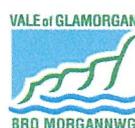
The Vale of Glamorgan Council's leisure facility provision has been operated under contract to Parkwood Community Leisure since August 2012. A ten year contract was awarded due to expire in 2022, with the option to extend the contract by a further five years. The contract was subcontracted to Legacy 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 2018 to 31st July 2019.

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, a five year contract extension remains on the agenda. 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.

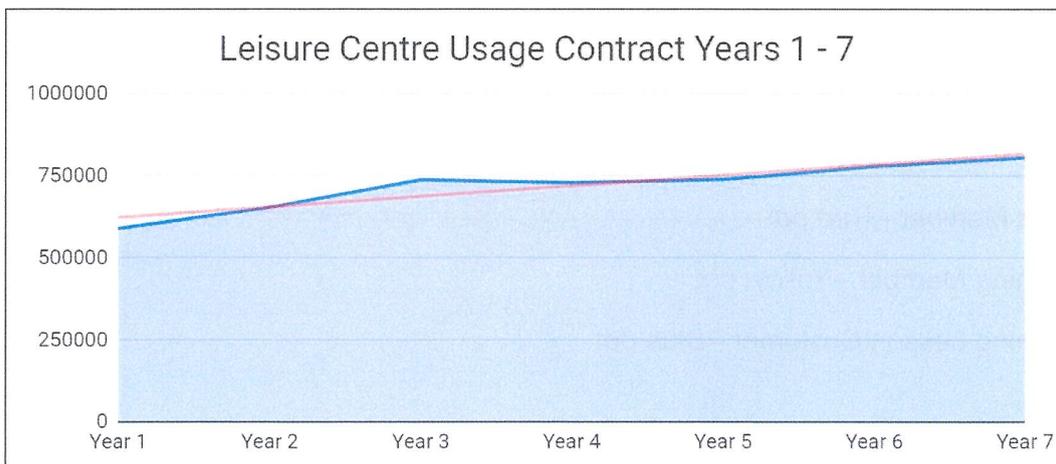


Key Usage Statistics

	807,569 visits
	5,168 Fitness Members
	1,781 Swimming Lesson Customers
	135,415 Classes attendees with 32,027 booking online
	241 Minor accidents and 1 RIDDOR
	421,605 Website page views
	41,079 Online Bookings
	7,372 Facebook likes & a Facebook reach of 2,524,265

Participation Figures

Leisure Centre Usage has seen growth of 23.49% between years two and seven of the contract. Further to this, growth has been seen between years six and seven of 3.48% / 27,115 visits. During contract year 7 the Vale of Glamorgan Leisure Centres was host to 807,569 recorded customer visits.



The Vale of Glamorgan Leisure Centres now maintains over 5,150 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 a 2.83% increase year on year, an additional 142 members across all the centres.



Swimming Lessons continues to host in excess of 1,700 swimmers each week. Throughout contract year 7 the swimming lesson programme has fluctuated greatly, peaking at over 1,800 in May 2019. Growth has not been achieved in line with expectations as a result of the changing room facility closures at Barry and Penarth during the contract period (works starting September 2018).

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

Key

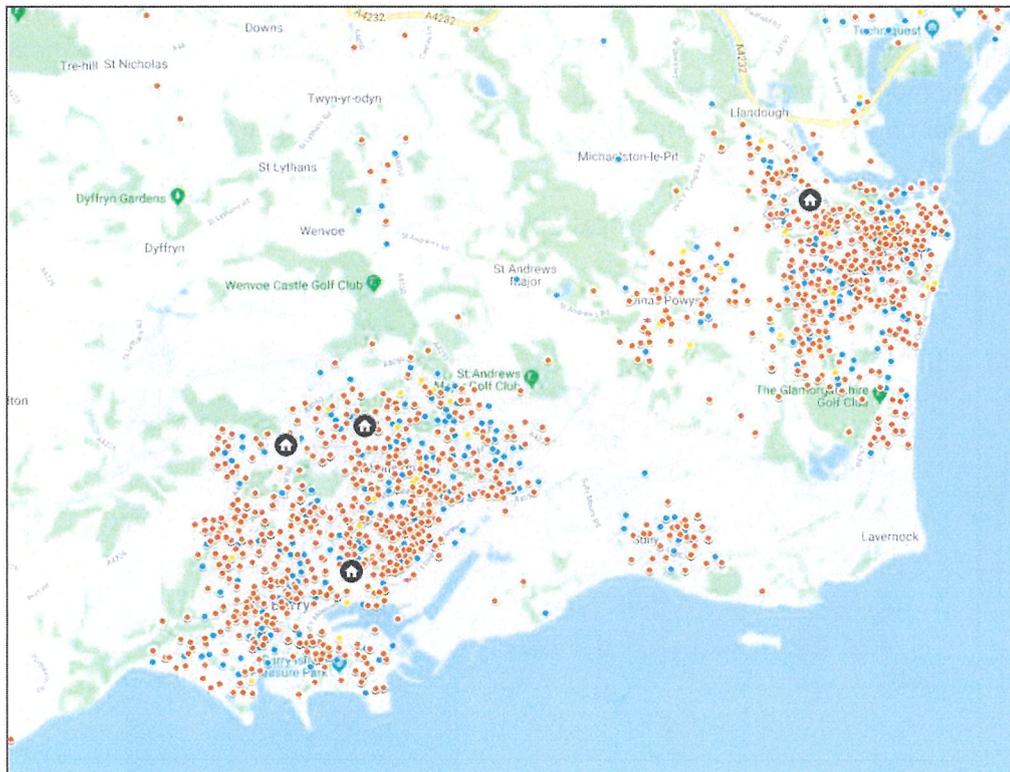
Leisure Centres - Black home symbol

Fitness Member - Red dot

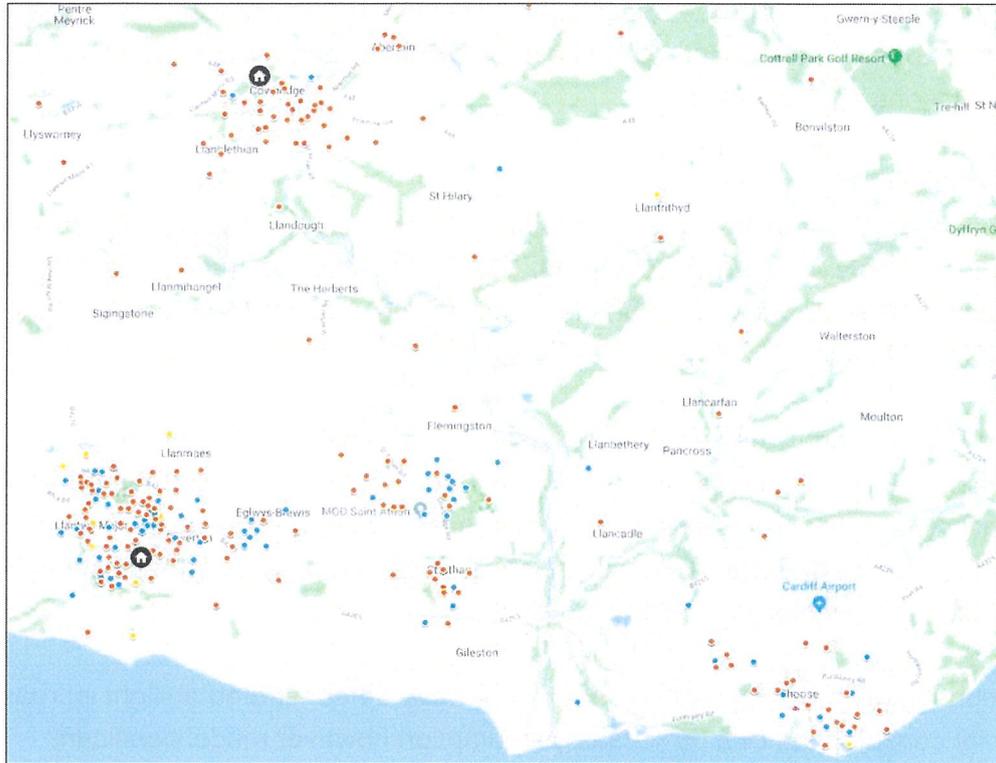
Swimming Member - Yellow dot

Swimming Lesson Customer - Blue dot

Barry and Penarth:



Cowbridge and Llantwit Major:



Facility Developments

Cowbridge Function Training Studio:

Cowbridge Leisure Centre renovated its small hall into a Functional Training Fitness Gym which officially opened in December 2018. This project has brought with it membership growth and increase fitness usage.

Barry New Staff Offices:

The former disused health suite area at Barry Leisure Centre was converted into a new meeting room available for community use and staff offices bringing together leisure centre staff to work within the same office space increasing productivity.

Llantwit Major Redecoration -

The centre underwent a full redecoration project in an effort to improve the customer journey from the front entrance to the fitness gym.



Significant facility developments are underway across the contract including upgrades to the changing facilities at Barry and Penarth Leisure Centres, health and safety improvements to the electrical systems (completed at Llantwit Major, with underway Barry and Penarth to follow). Projects currently pending commencement include resurfacing of the sports hall at Barry Leisure Centre, and a replacement roof including PV installations at Cowbridge.

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. The introduction of centre wide LED lighting as part of the electrical rewire works has been conducive to this aim.

Display Energy Certificates (DEC) highlight a contract wide average Energy Performance Operational Rating score of 55.6 against the typical benchmark of 100 for the facility type. This represents a minor increase of 0.24 points on the previous year. Rating decreasing at Penarth significantly but increasing at Cowbridge post rewire in comparison to previous year during the project.

Utility consumption comparisons year on year have demonstrated a slight increase in electricity consumption of 2.05%. Gas consumption however made significant improvements, decreasing by 16.35%, this is partly impacted by the previous years colder weather.

Health & Safety

Legacy Leisure, as part of the wider Parkwood group successfully achieved its ISO 45001 accreditation. 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 represents a huge achievement for the business, its corporate Health & Safety lead and every facility in updating and improving its health and safety standards.

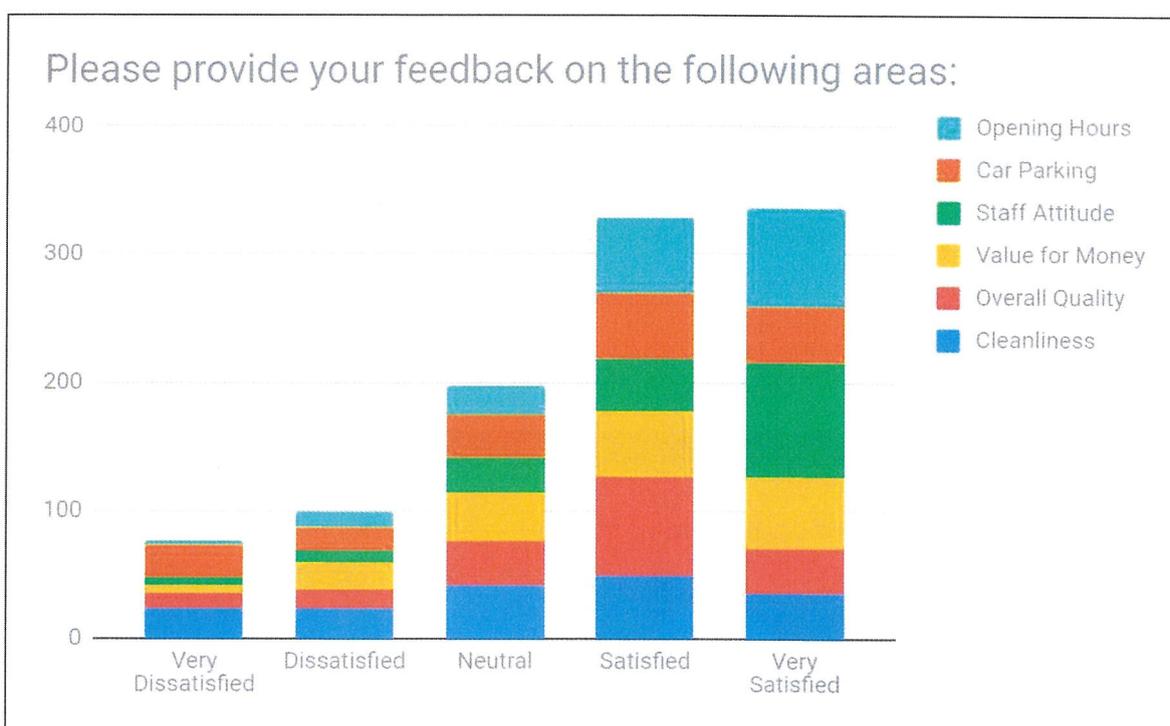
Reported accidents with the Leisure Centres were maintained at the same levels as last year and the contract reported only one RIDDOR within the contract period.



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.

The 2018/19 customer survey outlined that 64.16% of all responses were either satisfied or very satisfied with the addressed elements of the service. Staff attitude was responded at a level 74.57% satisfaction. In a year experiencing significant facility disruptions and many customer complaints received around the impacted customer experience, this is a positive reflection on the leisure centre front line staff.



The largest area of dissatisfaction was on the subject of car parking. The survey reported a 25.43% dissatisfaction with leisure centre car parking, of which 89% were customers at Barry Leisure Centre. To highlight, 71.43% of Barry Leisure Centre's customers surveyed were not satisfied with the car parking at the facility. This is a known problem whereby both the front and the rear Leisure Centre car park at the facility is heavily occupied during office hours mid week by non-leisure centre users.

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:

