



**WATFORD
BOROUGH
COUNCIL**

**Leisure Management Contract
Task Group**

November 2016

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Committee membership and attendees

Task Group Membership

Councillor David Barks (Chair)
Councillor Jagtar Singh Dhindsa
Councillor Kareen Hastrick
Councillor Tim Williams

Officers (Watford Borough Council)

Chris Fennell, Corporate Leisure and Community Client Section Head
Julietta Federico, Commissioning Manager
Sandra Hancock, Committee and Scrutiny Officer

Other attendees

Karl Miles, Contract Manager, SLM
Gary Foley, General Manager, Watford Central, SLM
Kelly Spencer, General Manager, Watford Woodside, SLM

Background information and overview of the task group's work

At the meeting of Overview and Scrutiny Committee on 28 September 2016, councillors considered a new scrutiny proposal, which had been submitted by the Corporate Leisure and Community Client Section Head.

The proposal suggested that a time limited task group could be set up to review and evaluate the findings of a survey which had been carried out as part of the leisure centre management contract retender.

The task group would be able to evaluate the findings from the survey and provide officers with feedback that would be presented to portfolio holders in November, prior to a report to Cabinet in February. It was expected that the task group would meet on one or two occasions.

Overview and Scrutiny Committee agreed to the task group and approved the following membership –

- Councillor David Barks
- Councillor Keith Crout
- Councillor Jagtar Singh Dhindsa
- Councillor Kareen Hastrick
- Councillor Tim Williams

The task group met on 18 October 2016. Unfortunately Councillor Crout was unable to attend the meeting and it continued with four councillors. Representatives from SLM were invited to the meeting to respond to any questions that related to the current service.

The task group was provided with the results of the survey, attached as Appendix 4 to this report. Members reviewed the findings and posed questions to the SLM representatives and council officers.

Due to the commercial sensitivity of some of the information to be discussed, it was agreed that the task group's discussion about its recommendations and conclusions would need to be discussed in private. This ensured that no organisation was given an unfair advantage over other potential tender applicants. The notes of the open part of the meeting are attached as Appendix 2.

Following the departure of the SLM representatives, the task group continued its discussions and agreed its recommendations to be taken forward to the portfolio holders. The notes of the closed part of the meeting are attached as Appendix 3.

Suggestions for topics to be scrutinised – evaluation table

A Member, Officer or member of the public suggesting a topic for scrutiny must complete Section 1 as fully as possible. Completed tables will be presented to Overview & Scrutiny for consideration.

<p>Section 1 – Scrutiny Suggestion – To review and evaluate the findings of the stakeholder engagement (undertaken during September 2016) as part of the leisure centre management contract (LCMC) retender</p>	
<p>Proposer: Lesley Palumbo Head of Corporate Strategy and Client Services</p>	
<p>Topic recommended for scrutiny:</p> <p><i>Please include as much detail as is available about the specific such as;</i></p> <ul style="list-style-type: none"> • <i>areas which should be <u>included</u> in the review.</i> • <i>areas which should be <u>excluded</u> from the review.</i> • <i>Whether the focus should be on past performance, future policy or both.</i> 	<p>The council awarded a 10 year (2008-18) leisure centre management contract to Sports and Leisure Management (SLM – Everyone Active) to operate the leisure centres. Current LCMC expires 6 June 2018. The council is undertaking a procurement exercise to select a new leisure operator to deliver the leisure centre service</p> <p>As part of the retender process the council is conducting a stakeholder engagement with the following groups:</p> <ul style="list-style-type: none"> • local residents (who could be users or non-users of the council owned leisure facilities e.g. Watford Centre and Woodside Leisure Centres and Woodside Athletics Stadium) • leisure centre users and members • user groups e.g. schools, colleges and sports clubs <p>to ascertain the level of satisfaction with the facility and the different areas and activities programmes. (copy of the questionnaire attached)</p> <p>The new contract will be designed with specific partnership principles and outcomes that will be reviewed on a regular basis to ensure that they remain in line with the council Vision</p>

<p>Why have you recommended this topic for scrutiny?</p>	<p>As part of the retender process feedback from users and non-users of the leisure centre service will provide valuable insight on the potential barriers to participation, current level of satisfaction and any operation issues with the facility</p>
<p>What are the specific outcomes you wish to see from the review?</p> <p><i>Examples might include:</i></p> <ul style="list-style-type: none"> • <i>To identify what is being done and what the potential barriers are;</i> • <i>To review relevant performance indicators;</i> • <i>To compare our policies with those of a similar authority;</i> • <i>To assess the environmental/social impacts;</i> • <i>To Benchmark current service provision;</i> • <i>To find out community perceptions and experience;</i> • <i>To identify the gap between provision and need</i> 	<p>For scrutiny to evaluate feedback from user and no-user questionnaire conducted during September 2016, topics included:</p> <ul style="list-style-type: none"> • How often they use the facilities • What activities they take part in e.g. swimming, gym and rackets sports • Identity areas that work well in the facilities • Identified areas which do not work well in the facilities • Future needs and demands e.g. different sports, activities spaces and programmes • Satisfaction levels • Would they recommend the facility to a friend or family member? <p>The feedback from users and non-users will also help shape and inform the new leisure contract and service specification for the new LCMC.</p>

<p>How do you think evidence might be obtained?</p> <p><i>Examples might include</i></p> <ul style="list-style-type: none"> • Questionnaires/Surveys • Site visits • Interviewing witnesses • Research • Performance data • Public hearings • Comparisons with other local authorities 	<p>The questionnaire will be distributed in the following ways:</p> <ul style="list-style-type: none"> • WBC council website and social media channels - user and non-user • WBC customer service centre – paper copies • Everyone Active – website, social media channels and user/sport clubs data base • Face to face meetings with WBC officers and general managers at the leisure centres
<p>Does the proposed item meet the following criteria?</p>	
<p>It must affect a group or community of people</p>	<ul style="list-style-type: none"> • All sections of the local community accesses the leisure facilities and the operator compiles with the 2010 Equalities Act
<p>It must relate to a service, event or issue in which the council has a significant stake</p>	<ul style="list-style-type: none"> • In 2007 the council invested £24m to build a new leisure centre (Central) and refurbish and extend the provision at the existing facility (Woodside). Over one million visits were recorded in 2013-14 and 1.2 million visits in 2014-15 • The leisure centres are a high profile front facing public service which helps to deliver the council corporate objectives

<p>It must not have been a topic of scrutiny within the last 12 months</p> <p><i>There will be exceptions to this arising from notified changing circumstances. Scrutiny will also maintain an interest in the progress of recommendations and issues arising from past reports.</i></p>	<p>N/A</p>
<p>It must not be an issue, such as planning or licensing, which is dealt with by another council committee</p>	<p>N/A</p>
<p>Does the topic meet the council's priorities?</p>	<p>WBC Corporate Objectives</p> <ul style="list-style-type: none"> • Champion smart growth and economic prosperity <ul style="list-style-type: none"> • The current LCMC operator employees over 400 people the majority are Watford residents • Provide for our vulnerable and disadvantaged communities <ul style="list-style-type: none"> • The LCMC service specification has a progressive concessionary pricing policy, which allows all sections of the community to access the leisure facilities • Deliver a digital Watford to empower our community <ul style="list-style-type: none"> • The current operator employs a wide range of digital and ITC packages e.g. online bookings and exercise programmes to users of the service • Secure our own financial future <ul style="list-style-type: none"> • The current LCMC operator pays WBC a positive management fee to deliver the leisure centre service

<p>Are you aware of any limitations of time, other constraints or risks which need to be taken into account?</p> <p><i>Factors to consider are:</i></p> <ul style="list-style-type: none"> • <i>forthcoming milestones, demands on the relevant service area and member availability:</i> • <i>imminent policy changes either locally, regionally or nationally within the area under review.</i> 	<p>The engagement will conclude 30 September 2016 and the observations and recommendations by the OSC group will help inform the new LCMC and service specification</p>
<p>Does the topic involve a Council partner or other outside body?</p>	<p>The current LCMC operator is Everyone Active (SLM)</p>

<p>Are there likely to be any Equality implications which will need to be considered?</p> <p><i>Protected characteristics under the Equality Act 2010 are:</i></p> <ul style="list-style-type: none"> • <i>Age</i> • <i>Disability</i> • <i>Gender reassignment</i> • <i>Pregnancy or maternity</i> • <i>Race</i> • <i>Religion or belief</i> • <i>Sex</i> • <i>Sexual orientation</i> • <i>Marriage or civil partnership (only in respect of the requirement to have due regard to the need to eliminate discrimination)</i> 	<ul style="list-style-type: none"> • All sections of the local community accesses the leisure facilities and the operator complies with the 2010 Equalities Act • A full EIA will be conducted as part of the LCMC retender process
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<p>Sign off <i>(It is expected that any Councillor proposing a topic agreed by Overview and Scrutiny Committee will participate in the Task Group)</i></p>	
<p>Councillor/Officer <i>Chris Fennell, Corporate Leisure and Community Client Section Head</i></p>	<p>Date 30 August 2016</p>

**Leisure Management Contract Task Group
18 October 2016**

Notes and agreed actions

- Present: Councillor Barks (Chair)
Councillors Dhindsa, Hastrick and Williams
- Also Present: Karl Miles, Contract Manager, SLM (for minute numbers 1-4)
Gary Foley, General Manager, Watford Central, SLM (for minute numbers 1-4)
Kelly Spencer, General Manager, Watford Woodside, SLM (for minute numbers 1-4)
- Officers: Corporate Leisure and Community Client Section Head
Contract Monitoring Officer (JF)
Committee and Scrutiny Officer

1. Committee membership and election of Chair

Councillor Barks was elected Chair.

Apologies for absence were received from Councillor Crout.

2. Disclosures of Interest

It was noted that any councillors who were ordinary members of Everyone Active or casual users of the sites did not have a pecuniary interest and therefore would not be prevented from taking part in the task group.

Councillors Barks and Williams both indicated that they used the leisure centres' facilities.

3. Scrutiny proposal – Leisure Centre Management Contract Retender

The Committee and Scrutiny Officer stated that the scrutiny proposal set out the remit of the task group. It had been agreed by Overview and Scrutiny Committee at its meeting in September. The task group's membership had also been agreed at that meeting.

4. **Leisure Centre survey results September 2016**

The Corporate Leisure and Community Client Section Head provided a brief overview of the leisure centre management contract which was due to expire in June 2018. The survey provided an understanding of current customers' and users' thoughts about the service. There had been a total of 516 responses which was an increase of 103 when compared to the last survey in 2013.

Representatives from SLM were present to respond to the task group's questions about the current service and how they had spoken to various groups and users about completing the survey.

The task group noted the low response from school and college users. The SLM representatives explained that the link to the survey had been sent to all schools that used the facilities at the two leisure centres. It was noted that it was possible one person from each organisation may have completed the survey. This would mean that approximately 50% had responded, which was considered reasonable. The key tenant clubs, e.g. swim clubs and Harriers, completed a questionnaire on behalf of their management committees.

The task group considered the benefits of the leisure centres in comparison with budget gyms which had fewer facilities and classes than the centres at Central and Woodside.

The Contract Manager for SLM explained to the task group the different types of membership arrangements for customers –

- Casual users
- Monthly direct debits, no contract requirements
- Discounted annual membership

The Contract Manager informed the task group that they were introducing 'single customer viewpoint'. This would enable the company to track people's usage patterns across all of the facilities covered in the contract, rather than separate monitoring systems across the contract. It was also noted that it would help to identify when people stopped attending.

In answer to the response related to opening hours, the Contract Manager advised that SLM had set itself a target to retain its membership following the introduction locally of budget gyms. The opening hours had been reviewed at each of the sites and longer opening hours had been implemented; opening earlier in the morning

and later in the evening. He stated that none of SLM's sites across the country were open 24 hours.

The Corporate Leisure and Community Client Section Head added that the company had to carry out competitive analysis to understand the competition in the Borough and cross border. It was also necessary to consider the economic viability of any new proposals.

The General Manager for SLM explained that when the facilities opened there was usually a minimum of seven staff on site at Central. At budget gyms there may be no one on site.

The Corporate Leisure and Community Client Section Head referred to the negative response to the question about the mixture of activities at the sites. He suggested that some of the responses to question 11 had referred to flumes or slides. There was little capacity to change the mix of facilities at Central but may be some scope at Woodside. However, most of the responses had been about being unable to get into classes or sessions as they were so popular.

The Chair noted that in response to question 12 more people had said they attended more often than those who responded that they attended less than a year ago.

The Corporate Leisure and Community Client Section Head explained how the responses to questions 13, 15, 17 and 21 were assessed. The larger the word the more often the word had been mentioned in responses. These generally related to operational matters and the contract monitoring team would look at the responses in greater depth to see if there were any issues that could be addressed.

Councillor Hastrick noted that 'Holidays' was in large print. The task group was reminded that people were asked about things that affected them. It was possible individuals were affected by the holiday programmes, but this would be reviewed when the detailed responses were examined.

The General Manager for Woodside explained that during holiday times the swimming pool was very busy and the centre had to restrict the amount of time people could swim. As a result timed sessions were set up and customers paid per session.

The General Manager for Central responded to members' comments about parking. He said the company tried to educate its customers about green travel and reducing car usage. They also informed people of the location of the town centre car parks.

Members noted the reasonable number of positive responses regarding cleanliness

and condition of the facilities and equipment. Councillor Williams referred to personal experiences he had at Woodside. Although there were occasions in the evening when it might be messy, it was usually clean when he went back to the changing area later. However he felt more promotion needed to be done about not wearing outdoor shoes in the changing rooms or poolside.

Councillor Hastrick said that previously she used to receive a lot of complaints about the cleanliness of Woodside, but the number of complaints had reduced.

The General Manager for Central agreed that complaints had reduced. A janitor was located in the changing areas on a permanent basis.

The negative response to food and beverages was noted. Central no longer had an on-site café. However vending machines were available. The facility was close the town centre with a wide variety of food options available. At Woodside customers used the café and met others to socialise after an exercise session.

The Chair felt, based on the responses, capacity may be an issue, particularly in relation to cleanliness and parking.

The General Manager for Central said that the company was looking at carrying out satellite classes, possibly located at the community centres.

The Corporate Leisure and Community Client Section Head said that the community centres were an important part of the council's work. There would need to be a balance about how SLM's work and the council's work might interact.

Councillor Williams questioned whether a family membership was encouraged as he had been advised it was not available.

The Contract Manager confirmed that a family membership was possible and there were varying discounted rates.

The task group reviewed the responses to the final questions which related to ethnicity, age, male or female and where the customer was resident.

At this point it was recognised that further discussion would need to take place in private due to the possible commercial sensitivity of the comments prior to the tender being published.

The representatives from SLM were thanked for their contribution to the task group.

5. **Exclusion of Press and Public**

RESOLVED –

that, under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during consideration of the item there would be disclosure to them of exempt information as defined in Section 100(1) Schedule 12A of the Act for the reasons stated in the agenda.

6. **Conclusions and Recommendations**

The task group further discussed the responses to the survey and commented on those areas it wanted the Executive to take into account in the development of the future service specification for the new leisure contract.

RESOLVED –

that the task group's comments be forwarded to the Portfolio Holders meeting on 14 November 2016.

Chair
Leisure Centre Management Task Group

The meeting started at 6.30 p.m.
and concluded at 8.30 p.m.