

Community Wellbeing Overview and Scrutiny

Leisure Centre Contract Management Review

A Sub-Committee established by the Community Overview and Scrutiny Committee in November 2016, to review the management of the Waverley Borough Council (the Council) Leisure Centre contract with Places for People (PfP), to explore its effectiveness and to identify opportunities for improvement including potential cost savings and lessons which might be applied to other major Council contracts.

Community Wellbeing, Customer Services and Value for Money are corporate priorities for the Council so the review set out to establish how effectively these priorities are being delivered through the management of the contract for this discretionary service.

The table below lists the recommendations as presented in the final sub committee report and a progress update as of March 2018.

	Recommendation	Progress	Action for
1	Develop a clear policy setting out the Council's priorities for leisure centres in Waverley.	<p>The strategic priorities of individual services are presented within the <u>Corporate plan</u> which in turn informs the individual service plans. The Communities and Major Projects <u>Service Plan 2018-19</u> sets out as one of its strategic themes the "Maximisation of The Leisure Centres operated by PfP on behalf the Council, in usage, service offering and profitability". This is supported by the constantly evolving Leisure and Health Action Plan, which outlines the specific aims of the team.</p> <p>Waverley's first <u>Health and Wellbeing Strategy</u> was adopted in 2016, The strategy recognises local need and sets out how we will continue to demonstrate our commitment to the health and wellbeing of our residents through the leisure centres and partnership with Places for People Leisure (PfP).</p>	Leisure

		<p>In addition, in 2017 we adopted an Indoor Leisure Facilities Strategy which outlines the vision and objectives for leisure provision in Waverley.</p> <p>PfP's mission is to create active places and healthy people.</p>	
Customer service and value for money			
2	<p>The contractual arrangements between the Council and Places for People (PfP) should be highlighted as a success and used as an example of good practice for other services in the Council that deliver large scale functions through contractors, specifically:</p> <ul style="list-style-type: none"> • Highlighting the importance of the in-house experience / skills of the contract management team in delivering a service through a contract. • Noting the promotion of a partnership ethos with the contractor based on a shared commitment to excellence and effective risk allocation. • Noting the promotion of openness and trust and a shared and collaborative way to problem solving. • Noting that both client and contractor structured the contract to promote innovation, flexibility and adaptation where necessary. 	<p>Kelvin Mills will be sharing best practice through the Heads of Service Team.</p>	Corporate
3	<p>Start collecting good practice procedures by the leisure management accountant to provide quality information for a hand over and back up.</p> <p>Best practice should be captured in a financial management manual.</p>	<p>A quality manual is currently being developed and will include the financial procedures currently being carried out by the finance team.</p> <p>This will be held within the finance department and updated as and when needed.</p>	Finance
4	<p>To create a budget Monitoring template for leisure centres to provide financial and commercial management and analysis.</p>	<p>Officers receive monthly Profit and Loss accounts from PfP. These reports are examined by the finance and leisure teams and queries are raised and addressed as</p>	Finance/ Leisure

		<p>necessary.</p> <p>The management fee budgets are monitored monthly together with the revenue budgets. The management fees are fixed sums and only change annually to account for inflation changes.</p> <p>The contract allows both Waverley and PfP the opportunity to invoke the financial realignment of the contract, every 5 years, should substantial changes occur that affect the cost structure of the contract.</p>	
5	<p>Review the performance indicators currently in use:</p> <ol style="list-style-type: none"> 1. Performance sharing network with other LA's 2. Measurable targets to be set in accordance with an overall policy 	<p>There are no statutory national performance indicators (PI's) for the leisure industry. However Waverley does report on a number of indicators such as number of visits to each site, total number of visits to all sites, and the number of Access to Leisure cards issued. These PI's are currently being reviewed and a proposal for a new set will be presented over the next few months.</p> <p>The Leisure team are currently researching what data other Local Authorities collate and report on. At present no other Surrey Local Authority is known to report on leisure centre PI's.</p> <p>Both the Leisure Services Manager and the Leisure Development Officers attend surrey wide officer groups on a regular basis to share best practice and explore joined up initiatives.</p>	Leisure
6	<p>Profit share should be set against costs incurred by the Council running the contract, together with asset depreciation and life cycle costs.</p>	<p>The profit share is a share of annual profit that exceeds a certain threshold that was set when the contract was renegotiated in 2008. There is opportunity to realign the threshold upon agreement of both parties however it is not set against lifecycle costs or asset depreciation currently.</p>	Finance

		Financial data against depreciation and lifecycle cost can be presented to the committee annually if this information is deemed useful.	
7	Steps should be taken to ensure that opportunities are being investigated and taken to reduce the Council's internal operating costs for managing the leisure centres including further options for energy efficiencies.	The operating costs of the leisure centres lie with PfP. The only operating costs that lie with Waverley are the staffing costs of the Leisure team, whom closely manage and monitor the contract to ensure value for money, and some of the contractual lifecycle costs. These costs are reviewed annually during the budget setting period. Energy efficiencies are continually identified and implemented where appropriate by WBC and PfP.	Finance/ Leisure
8	Council to include risk thresholds in monthly accounts for the Borough's leisure centres and for these to be frequently reviewed.	The profit share is reported and monitored monthly. We are currently looking to reduce the profit share risk by negotiating an increase in the fixed management fee and reducing the reliance on the profit share.	Finance
9	To improve customer experience it is recommended that the Council, in liaison with PfP explore innovative solutions to promote customer contacts online to reduce costs where appropriate	In the last year PfP have launched a new corporate website, in addition to a completely new App called Places Locker. The app is fully interactive and makes online booking easier and it also assists customers with tracking the number of steps and exercise activity.	Leisure
10	To investigate and implement the use of Quest, or equivalent industry leading management tools, across third party contracts as this had proven a very successful tool for monitoring performance.	Quest is the Sport England recommended Continuous Improvement Tool for leisure facilities, designed to measure how effective organisations are at providing customer service. Quest is specific to the leisure industry, so the equivalents for other contractors should be identified by the relevant services. This can be communicative to the Heads of Service Team	Corporate
11	The importance of physical activity on mental health and wellbeing and this should be articulated clearly in any plan concerning sports and leisure.	The corporate plan commits the council to focus on community wellbeing as one of its overarching priorities The Communities and Major Projects Service Plan 2018-19 sets out a 15% target to increase the health and	Leisure

		<p>wellbeing offering within the leisure centres.</p> <p>The Indoor Leisure Facilities Strategy highlights the important link between health & wellbeing and physical activity.</p> <p>The Council also adopted a Health and Wellbeing strategy for the Borough in 2016. The strategy focuses, amongst other priorities on emotional and mental wellbeing. It also highlights the important role of Physical activity in maintaining good health.</p> <p>The Ageing Well Strategy adopted in 2015, is committing to enabling and encouraging older people in the borough to stay active and healthy by offering more activities in Waverley Leisure centres.</p> <p>In the past 6 months activities such as Cage Cricket, dementia friendly swimming and teen yoga have been implemented, , in partnership with PfP to help those with disabilities and mental health issues. In addition, WBC and PfP run an established, extensive health and wellbeing programme for the community. Including: walks for health; free swimming; GP referral; weight management; cardiac, stroke and cancer rehabilitation; and falls prevention.</p>	
12	Community Wellbeing Overview & Scrutiny committee to receive a report on investment options for Cranleigh Leisure Centre following the findings of the feasibility study carried out at the centre	Presentation was given to this committee in November 2017	Leisure
Community Wellbeing			
13	Community Wellbeing Overview & Scrutiny Committee to monitor the number of referrals by GP's to the leisure centre as part of the health and well-being offer; and to encourage feedback from customers that have	All wellbeing activities currently taking place within the leisure centres are already monitored and reported to Waverley officers every month. This information is available on request.	Leisure

	been referred as part of the leisure centres' health and well-being offer	PfP provide feedback on progress of those signing up to the GP referral scheme. At the point of referral each customer receives a wellbeing assessment and score, which is then reviewed again at the end of each course completed. Results and data are shared with the referring health professional, so that they can assess their patients' progress.	
14	Council and PfP to work together to market the leisure centres to attract the least physically active and students during term time by exploring a range of community based initiatives	Waverley and PfP carry out targeted marketing in specific areas to attract target groups to activities. Part of ongoing work is to use leisure centre data to target areas of the borough that do not currently use our centres. We will also utilise health profile data to market more specifically to the inactive.	Leisure
15	To encourage partnership working with the Clinical Commissioning Groups to explore opportunities to work alongside healthcare professionals to break down barriers to physical activity and tackle health inequalities; including investigating how occupational therapy could be introduced for the purpose of leisure rehabilitation	The Leisure team is already working closely with a number of groups such as the Local Joint Integrated Commissioning Group, Prevention Programme Board, and Time to Change Hub. All groups are focused on health and wellbeing. Places for People also employ a full time Contract Health and Wellbeing Manager who is responsible for establishing relationships with GP practices, local CCG's and investigating opportunities to increase the offering of wellbeing activities to the community. The H&W Manager has written to every surgery and every GP in Waverley to explain the services available and offer meeting to discuss opportunities in more detail.	Leisure/Health and wellbeing
16	Council to play an active role in increasing the level to which the leisure centres are more 'dementia friendly' by exploring training needs for WBC and PfP staff and identifying associated risks	The leisure team is already working with PfP and have launched dementia friendly swimming sessions. A number of staff from each leisure centre have completed Dementia Friendly training, so that the teams are well equipped to improve the service offered. PfP are also	Leisure

		looking into the possibility of running sessions especially for carers.	
17	To investigate partnership opportunities with the Waverley apprenticeship scheme.	<p>PfP already have an apprenticeship scheme.</p> <p>The option of linking the leisure centres to the work that the Training Services will be investigated in the future.</p>	Leisure /Training services
18	Identify opportunities to increase participation by targeting and publicising activities and events at Leisure Centres more widely using the Council's publications and social media, in partnership with PfP's marketing programme.	<p>Waverley already publicises PfP activities where possible through Facebook and Twitter.</p> <p>The Leisure team always looks for opportunities to include features in Your Waverley. In addition, Leisure work with both the Housing and Benefits teams to target and publicise relevant activities and schemes to residents.</p>	Leisure/ Comms
Environment			
19	To encourage PfP to investigate ways to conserve and make the leisure centres more energy efficient so ratings are in line with climate change targets.	<p>Energy efficiency has always been a key consideration when the leisure centres are refurbished. PfP are also keen to reduce their energy consumption where possible in order to meet their energy efficiency obligations and reduce their running costs.</p> <p>The Council has supported a number of projects over the past 10 years including LED lighting, efficient boilers, and efficient building fabric for new builds. Renewable energy has also been considered and the Council has funded solar PV installations on three of the leisure centres, as well as a Combined heat and Power heating system at Haslemere. A biomass boiler was also installed at Godalming LC when it was rebuilt in 2012.</p> <p>More recently PfP are looking into installing LED lighting throughout the building in Farnham.</p>	Leisure / Sustainability