

Law and Governance

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To Members of the Value and
Performance Scrutiny Committee

14 November 2011

Our ref:

Your ref:

Dear Councillor

**VALUE AND PERFORMANCE SCRUTINY COMMITTEE - MONDAY 21 NOVEMBER
2011**

I attach the following report which was not available when the main agenda was
dispatched. Please bring these documents to the meeting

Agenda No Item

5. **Leisure Management Contract (Pages 1 - 22)**

Please note that this report contains a not for publication appendix.

Yours sincerely

Alec Dubberley
Democratic Services Officer
Encs

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To: Value and Performance Scrutiny Committee

Date: 21st November 2011 **Item No:**

Report of: Head of City Leisure

Title of Report: A report on the performance of the Council's leisure management contract with Fusion Lifestyle, covering the period from April 2011 to September 2011.

Summary and Recommendations

Purpose of report: To provide a six month performance update of the city's leisure management contract with Fusion Lifestyle, April 2011 to September 2011.

Report Approved by:

Finance: Lindsay Cane

Legal: Val Craddock

Policy Framework:

- Strong and active communities.
- An efficient and effective council.

Recommendations:

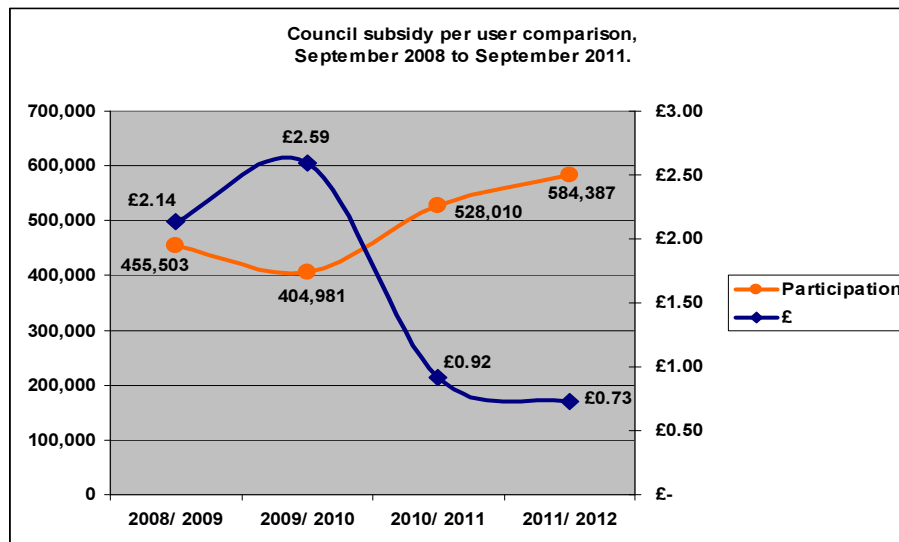
To note the content of the 2011/ 12 performance update for the Council's Leisure Management Contract with Fusion Lifestyle.

Introduction

- 1.1 On the 30th of March 2009 the Council transferred the management of its seven leisure facilities to Fusion Lifestyle. This was for a ten year contract, with the option of a five year extension.
- 1.2 Fusion Lifestyle is a registered not for profit charitable organisation. As a registered charity, Fusion continually reinvests to improve the sport and leisure offer in the community.
- 1.3 The Leisure Management Contract incorporates the service delivery of the Council's seven leisure facilities; Barton Leisure Centre, Blackbird Leys Leisure Centre, Blackbird Leys Swimming Pool, Ferry Leisure Centre, Hinksey Outdoor Pool, Oxford Ice Rink and Temple Cowley Pools.
- 1.4 This report sets out performance of the leisure facilities managed on behalf of the Council by Fusion Lifestyle April 2011 to September 2011, and where comparison data is available performance against previous year's delivery.

Value for money.

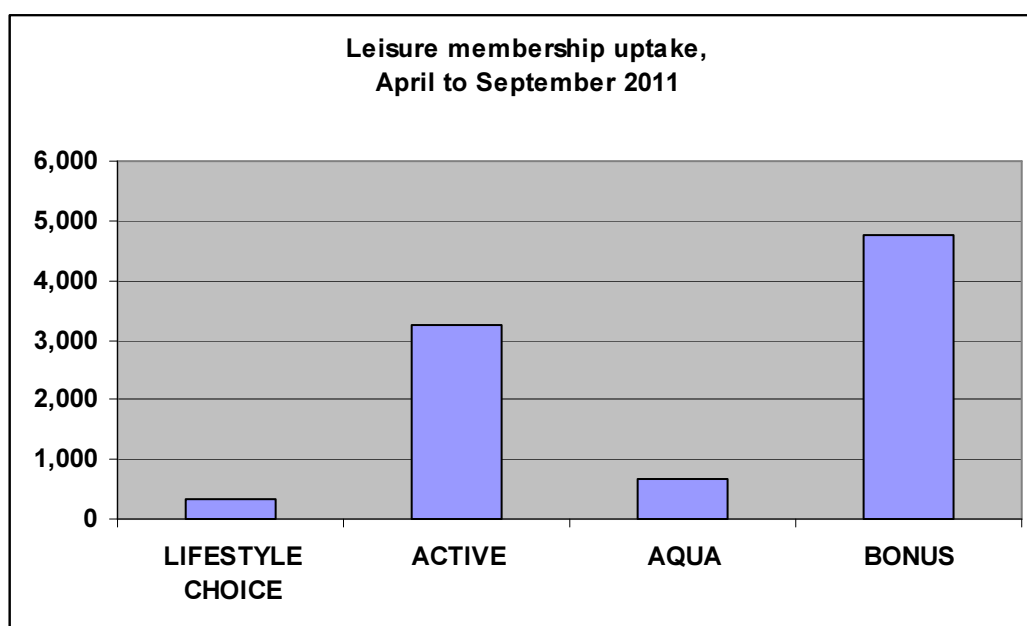
- 2.1 The cost to the council is fixed over the ten year contract period and delivers the council just under £7m of savings over the ten years. This is based on improved quality facilities and charging the market rate for those who can afford it and offering concessions to those on income support.
- 2.2 The council subsidy per user is based on utilities costs and the contract management fee. Half year participation figures, management fee and utilities costs has been used to demonstrate the council April to September 2011 subsidy per user.
- 2.3 April to September 2011 subsidy per user equates to £0.73. This is a 22% reduction in council subsidy compared to the same period 2010/11, and a 66% reduction prior to the leisure management transfer.



- 2.4 A confidential appendix to this report gives the centre specific breakdown of Fusion Lifestyle costs and net subsidy per user. (Appendix one). This is a confidential appendix as it contains commercially sensitive information that would assist other leisure operators when bidding for contracts, and is information that belongs to Fusion Lifestyle and not to the council.
- 2.5 Competitor benchmarking against neighbouring leisure providers demonstrated that fees and charges in city leisure facilities are comparable and in some instances better value for money.
- 2.6 The excellent Bonus concessionary membership offer has 15 categories offering those eligible for benefits, and their dependants, reduced rates on activities at all of our leisure centres.
- 2.7 In 2011/12 there was no change to the existing concessionary Bonus concessionary membership scheme. In September 2011 33% of total memberships were held by Bonus concessionary members demonstrating high levels of inclusivity.
- 2.8 The Bonus concessionary membership is 30% less than comparable concessions offered at The Windrush Leisure Centre, managed on behalf of Cherwell District Council by Nexus community.
- 2.9 Overall City leisure membership uptake in September 2011 was:

| Membership type | No. of members | Membership Offer |
|--------------------------|----------------|--|
| Bonus concessions | 4,733 | Reduced rates to those, and their dependants', on eligible benefits |
| Aqua | 676 | Unlimited use of all swimming pools during public sessions, plus free squash, badminton, use of sauna and steam room |

| | | |
|--------------------------------|-------|---|
| | | and water workout |
| Active | 3,255 | Unlimited use of all activities during public sessions, excluding ice skating |
| Fusion Lifestyle Choice | 332 | Unlimited use of all activities during public sessions, discounts on hall hire and sports courses. Family membership includes Swim School places for children |
| Hinksey seasonal | 432 | Unlimited use of Hinksey Outdoor Pool during public sessions |
| Student | 1,495 | Full-time students can apply for this membership type and then pay reduced rates on activities at all centres. Valid for the academic year, 1st October to 30 th September |



Overall and targeted participation.

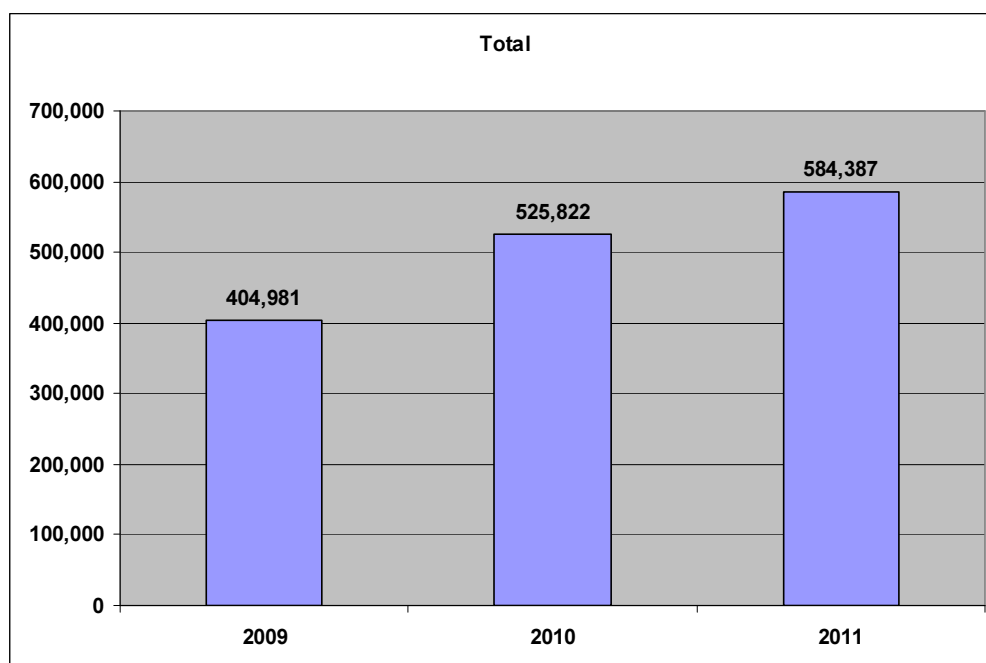
Appendix two shows year on year comparison for each of the leisure facilities.

3.1 There have been significant increases in overall participation since the contract began, achieved by:

- Council and Fusion Lifestyle investment across all leisure facilities.
- An accessible and affordable membership offer.
- Improved marketing and promotions.
- Targeted and focused sports development initiatives.

- Improved understanding of user needs.

3.2 The overall number of visits to leisure facilities April to September 2011 was 584,387; an 11% increase in participation against the same period in 2010 and a year on increase since the commencement of the contract.



3.3 Participation by leisure centre

| Apr to Sep | Barton Leisure Centre | Blackbird Leys Leisure Centre | Blackbird Leys Pool | Ferry Leisure Centre | Hinksey Outdoor Pool | Oxford Ice Rink | Temple Cowley Pools | Total |
|-------------|-----------------------|-------------------------------|---------------------|----------------------|----------------------|-----------------|---------------------|---------|
| 2009 | 30,612 | 36,050 | 19,876 | 129,096 | 33,453 | 68,764 | 87,130 | 404,981 |
| 2010 | 31,924 | 88,837 | 12,707 | 141,604 | 41,163 | 80,605 | 128,982 | 525,822 |
| 2011 | 44,315 | 86,616 | 15,354 | 194,627 | 40,927 | 102,438 | 100,110 | 584,387 |

3.4 Participation has increased at Barton Leisure Centre, Blackbird Leys Pool, Ferry Leisure Centre and Oxford Ice Rink.

3.5 Reduction in participation at Hinksey Outdoor Pool in 2011/12 compared to the previous year is reflective of the poor weather experienced during the summer. That said increased uptake of the seasonal Hinksey seasonal membership offer did support member and participation retention.

3.6 Decrease in participation at Blackbird Leys Leisure Centre is primarily due to bookings transferring to the new Oxford Academy facilities. Fusion Lifestyle are reviewing activity programming to improve and offer a wider activity programme at this facility.

3.7 Temple Cowley Pool has seen just less than 30,000 fewer visits, compared to the same period last year, a 22% decrease. This may be attributed to:

- Users now visiting the City's improved leisure facilities (e.g. Barton Leisure Centre and Ferry Leisure Centre)
- The poor condition of the building and aging equipment
- The potential loss of members to a new lower cost martial arts and fitness gym in the Templar Square precinct.

An additional one month membership offer has been implemented to encourage participation before the facility is closed.

3.8 Despite national withdrawal of funding for the provision of free swimming, the Council continues to fund a weekly programme for 50 hours of free swimming across the city's five swimming pools, for those aged under the age of 17 years and resident in the city. In September 2011 there were 1,613 card holders registered for free swimming.

3.9 April to September 2011 has seen 15,317 free swimming visits, compared to 35,605 in 2010/11 when free swimming was offered to all those aged under 17 years.

Participation by:

3.10 Those under 16 years of age

The overall number of visits to leisure facilities April to September 2011 has increased by 4.5% against the same period in 2010, an additional 2,692 visits to facilities.

3.11 Older people

A 74.5% increase in participation has been seen with just fewer than 17,000 more visits to leisure facilities April to September 2011 compared to the previous year.

3.12 People with disabilities

April to September 2011 has seen over 3,000 more users visiting leisure facilities. This equates to a 79% increase in visits against the same period 2010/11.

3.13 People on low income

Over 61,000 visits have taken place in leisure facilities April to September 2011, an 8% increase compared to the same period 2010/11.

3.14 People from black, ethnic minority groups

A 5% decrease in participation has been seen with 1,500 less visits to leisure facilities by this user group April to September 2011 compared to the previous year.

3.15 Usage from areas of deprivation
59,000 visits have taken place in leisure facilities April to September 2011, equal to participation in the same period 2010/11.

3.16 Women and girls
The overall number of visits to leisure facilities April to September 2011 has increased by 3.4% against the same period in 2010, just fewer than 44,500 more visits.

Carbon management

4.0 Fusion Lifestyle are continuing to work in partnership with Oxford City to reduce the carbon impact across the City's leisure facilities.

4.1 Six month reports indicate that there has been an overall 20% overall increase of carbon tonnes¹ across leisure facilities, compared to 2010/11.

4.2 Ferry Leisure Centre and Blackbird Leys Leisure Centre have both shown a decrease in carbon tonnes.

| Carbon Tonnes | Barton Leisure Centre | Blackbird Leys Leisure Centre | Blackbird Leys Pool | Ferry Leisure Centre | Hinksey Outdoor Pool | Oxford Ice Rink | Temple Cowley Pools |
|-----------------|-----------------------|-------------------------------|---------------------|----------------------|----------------------|-----------------|---------------------|
| Apr to Sep 2010 | 113 | 162 | 44 | 259 | 306 | 342 | 189 |
| Apr to Sep 2011 | 154 | 155 | 67 | 244 | 401 | 352 | 333 |

4.3 Reasons for these changes include:

- Usage has increased
- In 2010/11 service was reduced during development and maintenance work
- There is now a wider offer available (i.e. the new fitness suite at Barton Leisure Centre)

4.4 There are also additional factors such as the aging equipment at Temple Cowley and Blackbird Leys Pool's and the effectiveness of various carbon initiatives. Over the past year we have also installed new automatic meter readers in the leisure centres and there have

¹ Greenhouse gas conversion factors are used to calculate the amount of greenhouse gas emissions caused by energy use. They are measured in units of kg carbon dioxide equivalent).

been a few teething issues which may be impacting some of the figures.

- 4.5 The reduction in carbon tonnes at Ferry Leisure Centre compared to the increase at Temple Cowley Pool demonstrates the value modern leisure facilities have in reducing carbon impact

Improvements in quality of service

QUEST

- 6.1 QUEST is the UK quality award scheme for leisure facility management and supports on-going commitment towards the continuous improvement of quality provision leisure facilities.
- 6.2 At the commencement of the contract with Fusion Lifestyle, Barton Leisure Centre was the only city facility to have achieved accreditation. Four facilities are now QUEST accredited.
- 6.3 Barton Leisure Centre completed its second QUEST assessment achieving highly commended against version four of the quality scheme. During the assessment process the Assessor and Mystery Visitor, identified the following key strengths and examples of good practice:
 - Cleaning standards are clearly defined.
 - A detailed energy action plan is in place.
 - Changing facilities are maintained to a high standard.
 - A strong commitment towards the marketing and promotional aspects of the service.
 - There are flexible pricing options available for the customers and a strong corporate image throughout the Centre.
- 6.4 Blackbird Leys Leisure Centre completed their first assessment, achieving a good accreditation following a two day assessment, against version five of the quality scheme. During the Assessment process the Assessor and Mystery Visitor, identified the following key strengths and examples of good practice:
 - The centre is a bright, clean and modern building, well laid out with large circulation corridors and activity spaces.
 - A wide variety of activities are available, and a varied customer base has been considered with activities for children and adults being promoted.
 - 'A facility of this size located adjacent to the neighbouring housing estate must be a real asset, and with the future plans to build a wet side facility alongside the centre it will go from strength to strength'.
 - The staff are well trained and have good levels of morale.

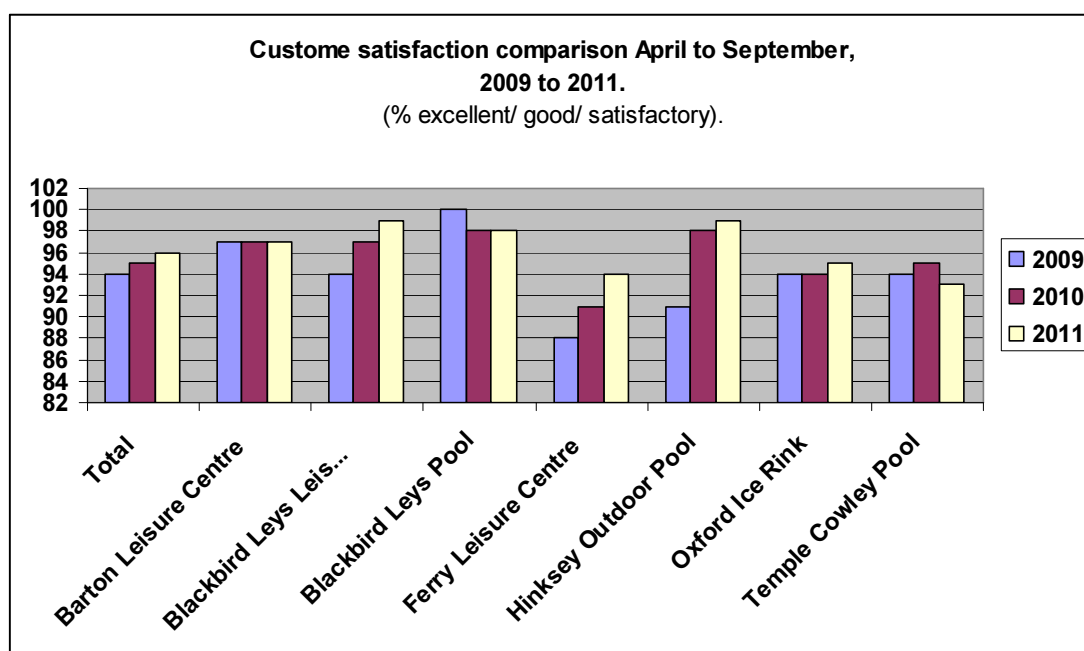
- Partnerships with the Council are positive and productive.
- 6.5 Hinksey Outdoor Pool completed its first assessment and achieved a good accreditation over a one day assessment. During the assessment process the Assessor and Mystery Visitor, identified the following key strengths and examples of good practice:
- A generally friendly, happy and efficient staff team.
 - Pleasant outdoor environment and well maintained pool.
 - Excellent value for money when linked with other Centres.
 - The facility has developed a clear, measurable annual Service Plan that is regularly reviewed by both the Client and Fusion Lifestyle management team.
 - The 'Please Tell Us What You Think' scheme enables the facility to receive clear, measurable feedback in key areas of operation. This information is easily accessible to be able to draw tangible year on year comparisons relating to service provision.
- 6.6 Ferry Leisure Centre completed a two day assessment at the end of October 2011 and the full evaluation report is due to be released by the end of November 2011. Indicative results are that a good accreditation has been achieved.
- 6.7 Oxford Ice Rink has submitted its QUEST self assessment and is awaiting confirmation for assessment dates.

Customer satisfaction

Appendix three shows summary performance graphs for year on year comparison, for each of the leisure facilities.

- 6.8 Overall customer satisfaction is measured by means of Fusion Lifestyles 'Please tell Us What You Think' customer feedback scheme; and the percentage of excellent/ good/ satisfactory responses received against nine performance headings:
- Knowledgeable and friendly staff.
 - Range of activities.
 - Condition of the building.
 - Cleanliness.
 - Value for money.
 - Equipment.
 - Ease of booking and paying.
 - Ease of gaining information.
 - Website.

6.9 Customer satisfaction has generally continued to improve.



Outreach work

7.0 April to September 2011 has seen Fusion Lifestyle contribute to wider health and well being, social and diversionary agendas by working in partnership within the local and national community. Such initiatives include:

- Hosting of a General Practitioner exercise on referral instructor course; resulting in four new Oxford Fusion Lifestyle employees becoming qualified in delivering the gym based health and well being offer. Barton Leisure Centre is now able to offer the exercise referral programme. April to September 2011 has seen 91 GP referrals participating in the programme in the city's four fitness suites.
- Fusion Lifestyle secured funding from the Fit as a Fiddle initiative resulting in additional 50 plus sessions being introduced in Badminton, Zumba Gold dance, seated activities and learn to swim activities. Fit as a Fiddle is a nationwide programme, supporting people aged of 50 plus with physical activity, healthy eating and mental well-being.
- In partnership with Oxford United Football Club and MIND, Fusion Lifestyle is running a mental health awareness and fitness project in the local community. MIND is the leading mental health charity for England and Wales that promotes and protects good mental health for all.

- Fusion Lifestyle supported the 2011 National Obesity Week in partnership with Oxfordshire Primary Care trust and the Oxfordshire Weight Loss service (OWLS), by hosting OWLS at Blackbird Leys Leisure Centre.
- Fusion Lifestyle have secured funding to employ an Oxford City Active Women coordinator. Active Women is a new three year project being driven by Sport England to get more women from disadvantaged communities, and more women caring for children, playing sport. The sessions are specifically designed for local women and aim to make it as easy as possible to participate. Since commencement of the city programme three new sessions of Badminton, netball and football have been introduced in city leisure facilities with a throughput of 51 women participants.
- Sportivate is a lottery funded programme that gives 14 to 25 years olds access to six-week courses in a range of sports. The programme is aimed at those not currently choosing to take part in sport in their own time, or are doing so for a very limited amount of time, and will support them to continue to playing support in their community. Sportivate is fully inclusive and targets participants across this age group, including young people who have a disability, males and females and people from BME groups. Three Sportivate programmes will be running across city leisure facilities.
- Blackbird Leys Leisure Centre is one of two Oxfordshire leisure facilities to be selected to run a pilot scheme to increase participation for social users, with the scope of the project being to increase the usage, quality and consistency of the experience of leisure facilities by social care users. A multi agency steering group has been established to drive this project with partners including Oxford City Council, Fusion Lifestyle, Oxfordshire County Council – Adult Social Care, West Oxfordshire District Council and The Oxfordshire Sports Partnership. The project is due to commence April 2012.

7.1 The participation performance information given earlier in this report demonstrates how these initiatives offer improved accessibility and opportunity for improving the health and well-being, social and diversionary offer to city leisure facility users.

Conclusion

8.0 The council net subsidy per user since the commencement of the leisure contract has reduced by 66% and continues to demonstrate a year on year decrease.

- 8.1 Overall participation has increased since the commencement of the contract and the number of visits for target groups have generally shown good improvement.
- 8.2 Facilities continue to be affordable and accessible to all.
- 8.3 Officers recognise that carbon initiatives need to continue to be explored and where feasible implemented to support the councils commitment to reduce carbon emissions across it's portfolio of buildings.
- 8.3 Customer satisfaction has improved since the transfer of management to Fusion Lifestyle. With the significant investment and improved quality of the leisure provision demonstrated through the achievements of the QUEST accreditation.
- 8.4 Through outreach programmes and interaction with other partners around public health issues sports and community development provision has improved giving good grounding for the future opportunities to be explored and implemented,.
- 8.5 It is officers view that the councils leisure management contract with Fusion Lifestyle is being satisfactorily delivered.

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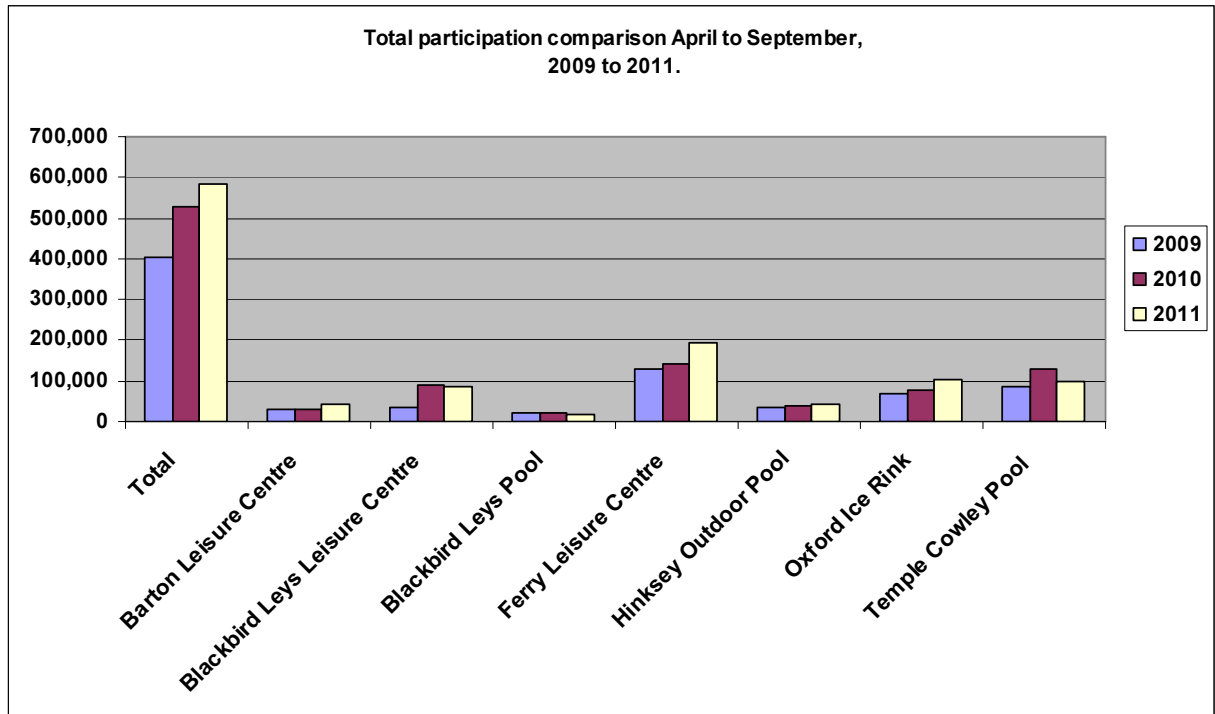
Background papers:

- April to September 2009 to 2011 Client Performance Reports.
- QUEST Assessment Reports 2011(UK quality award for leisure facilities).
- Competitor Benchmarking.

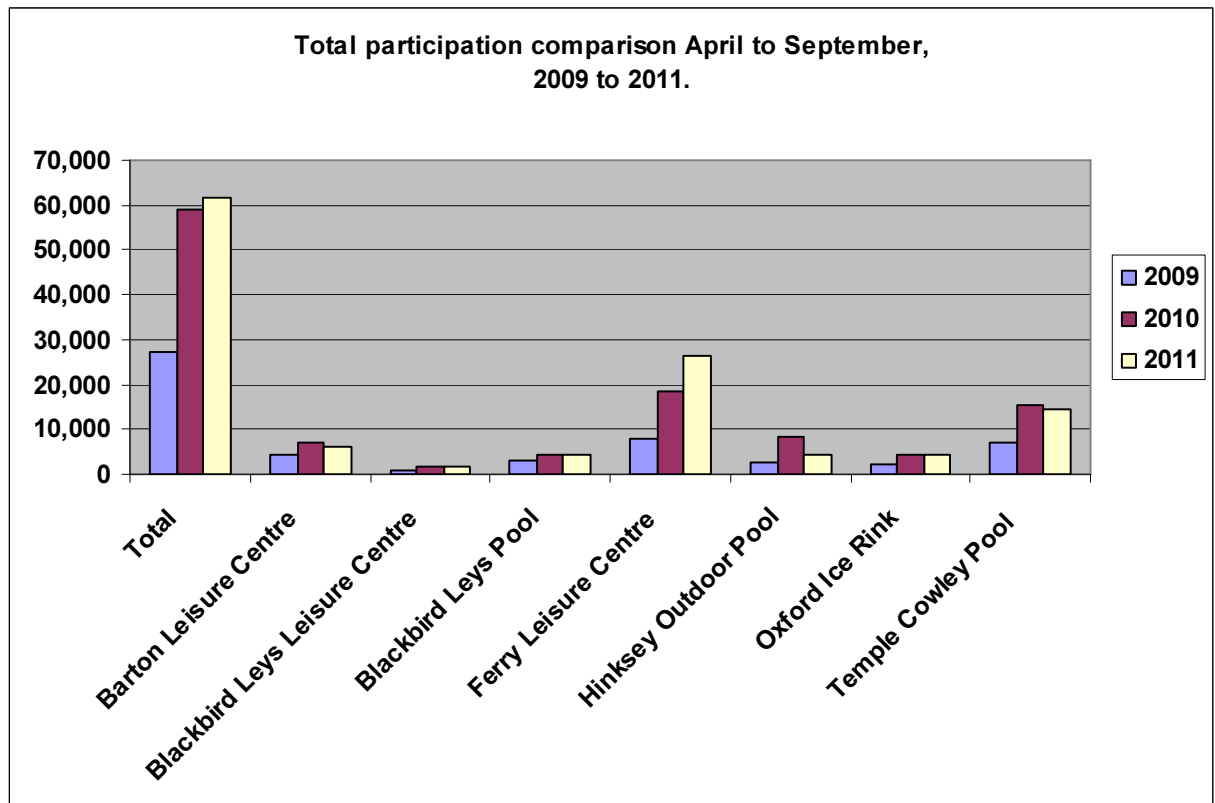
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Appendix two: A summary of participation and year on year comparison by each of the leisure facilities.

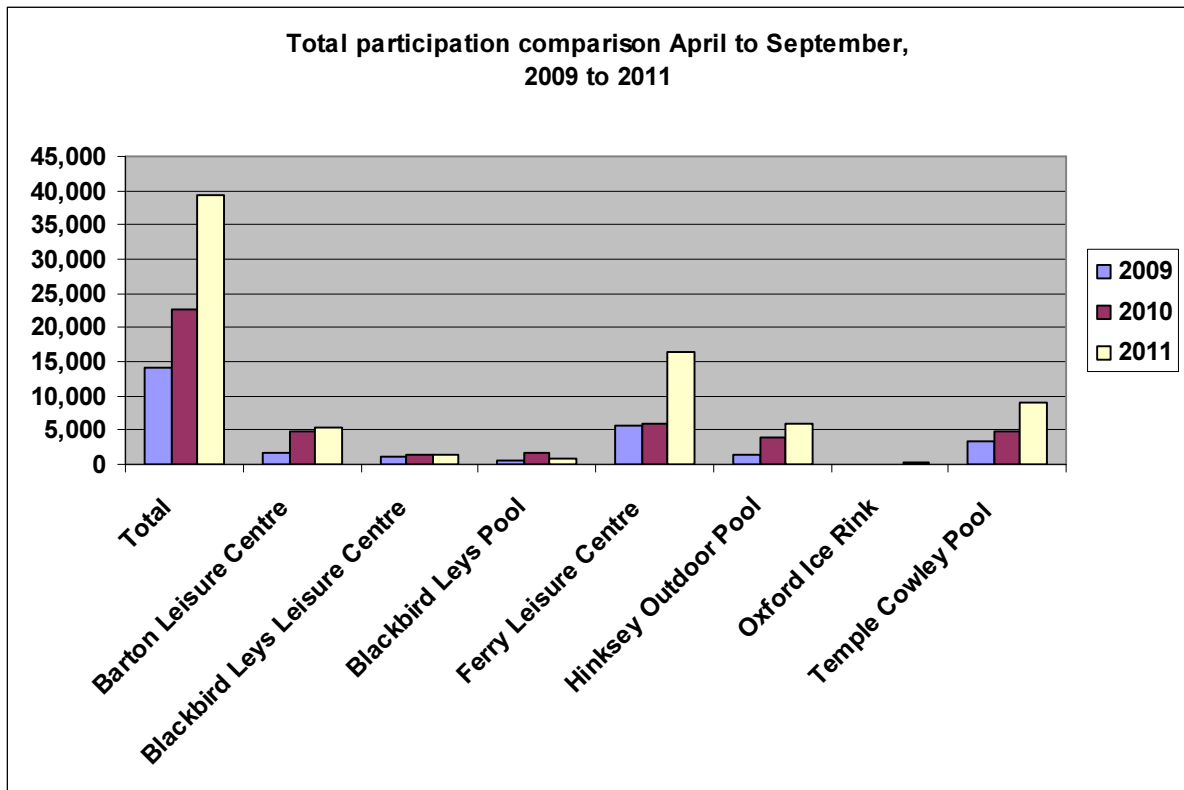
Overall participation



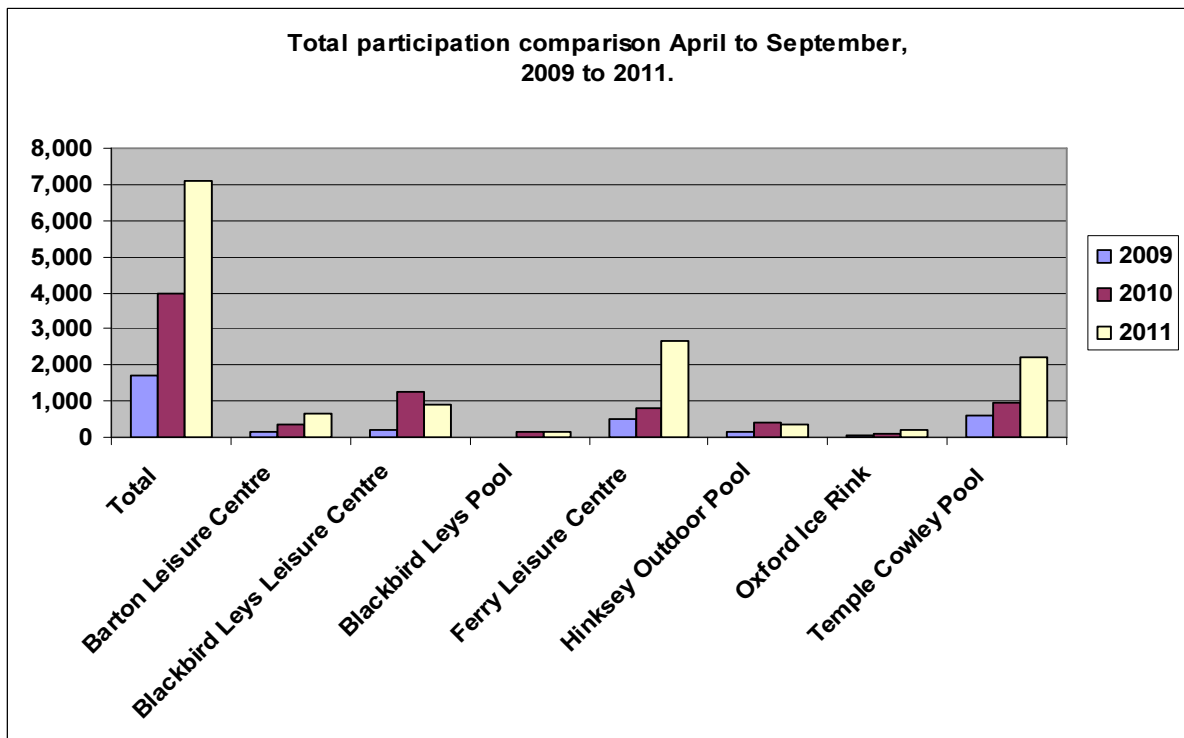
Participation by those aged 16 years and under



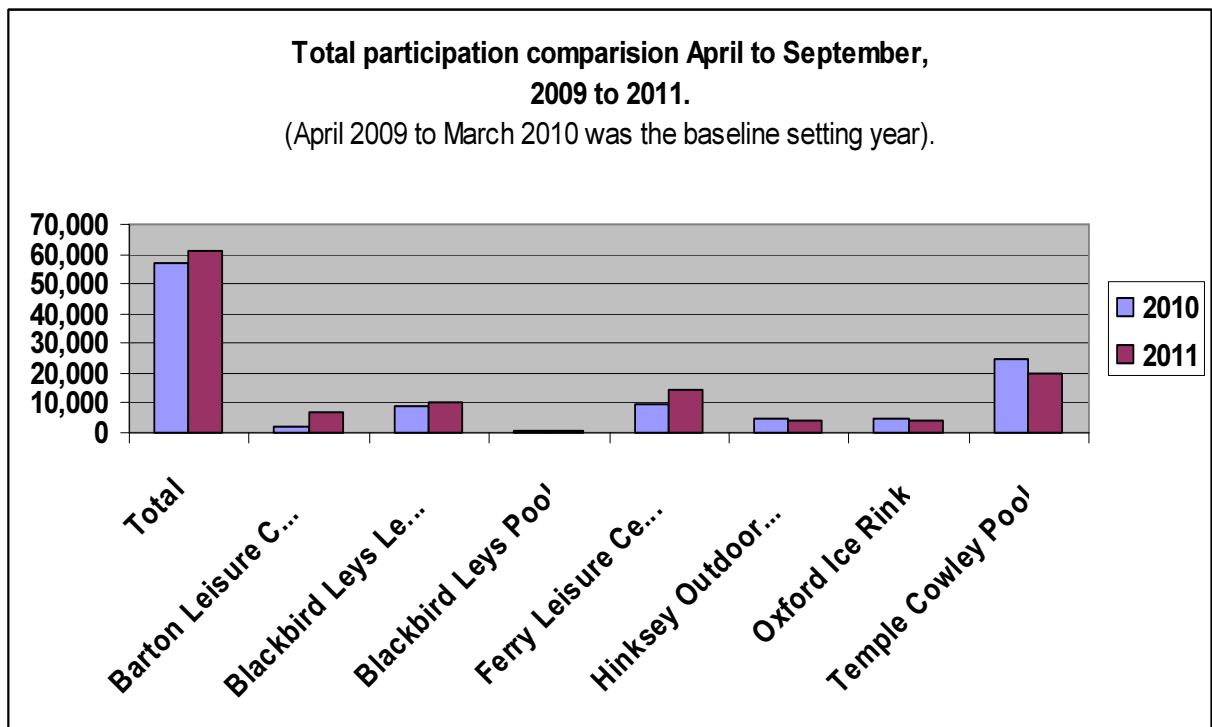
Participation by older people



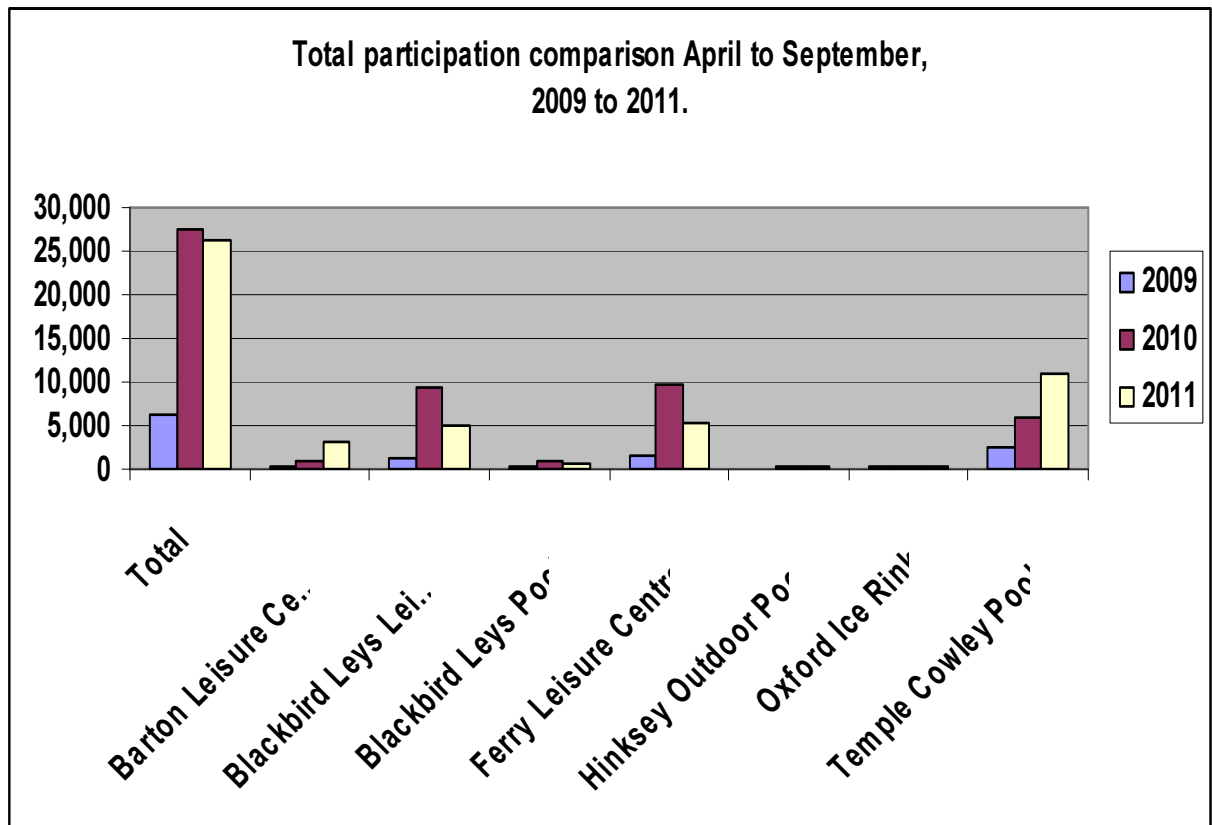
Participation by people with disabilities



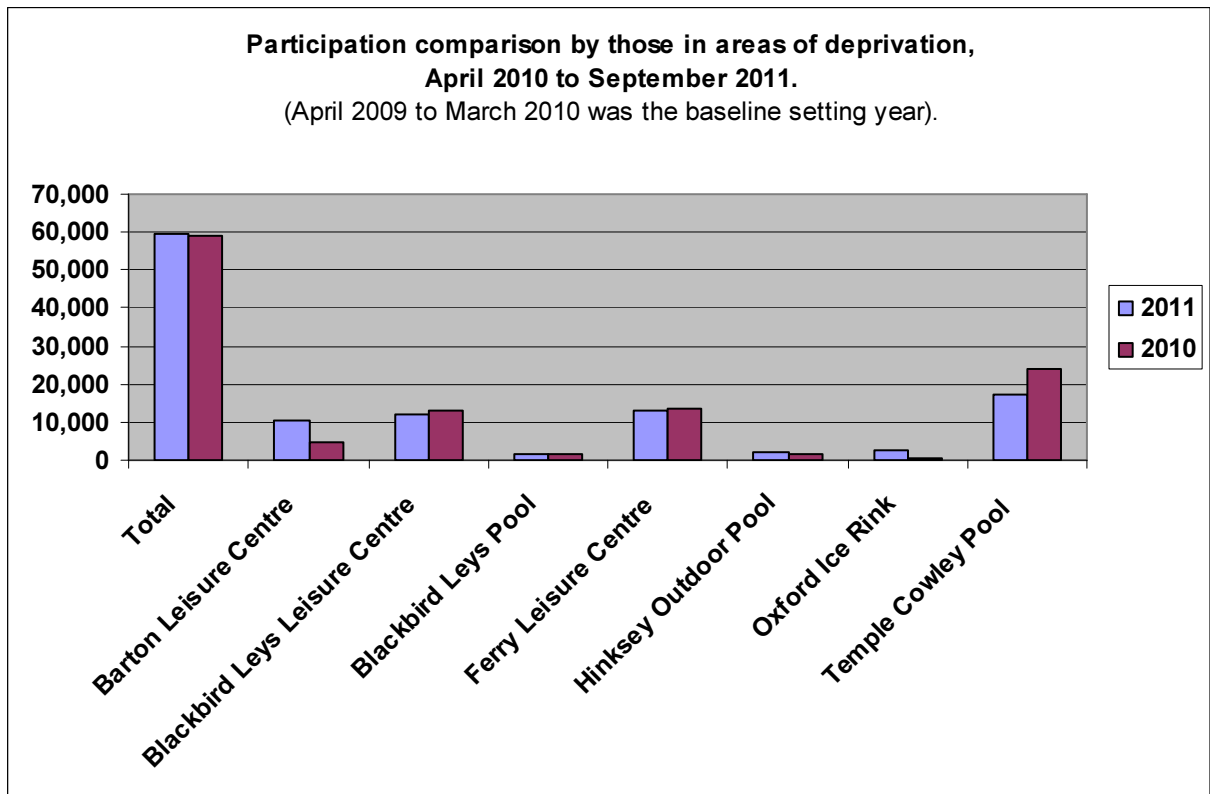
People on low income



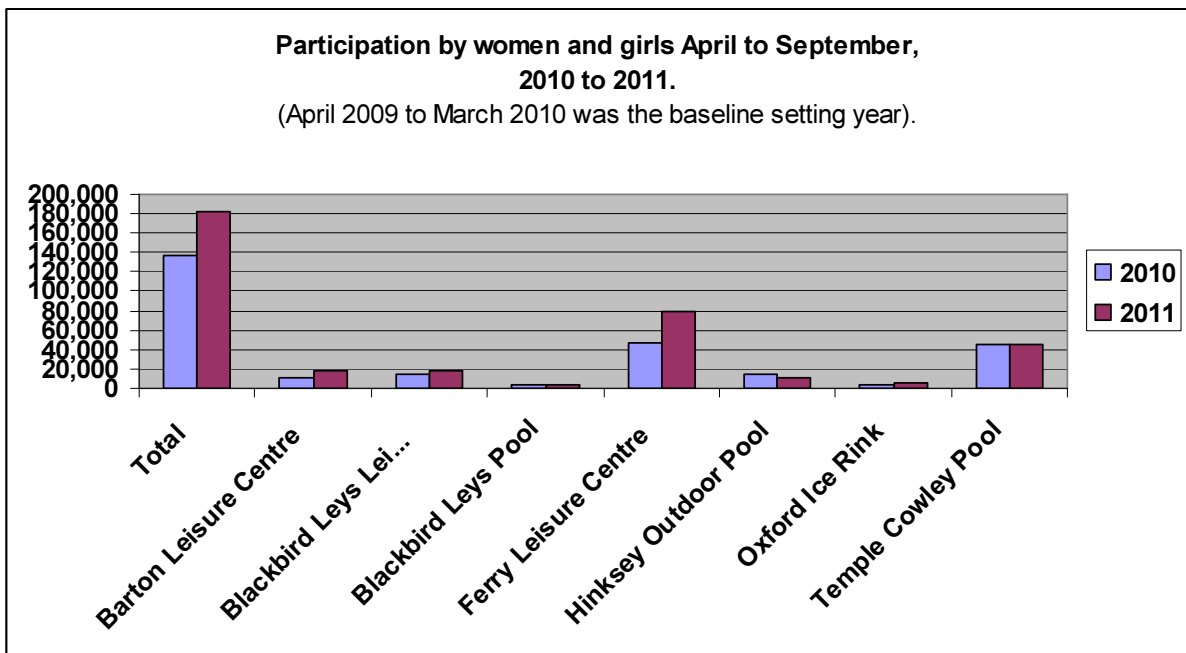
People from black, ethnic minorities



Participation by users in areas of deprivation

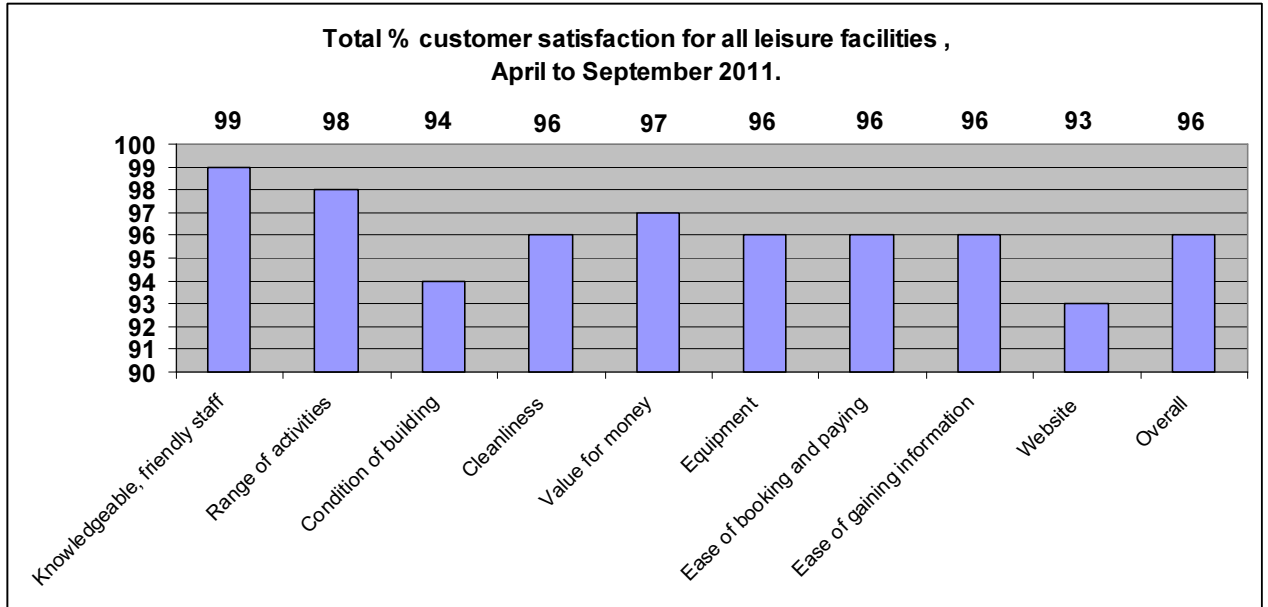


Participation by women and girls.



Appendix Three: A summary of customer satisfaction and year on year comparison by each of the leisure facilities.

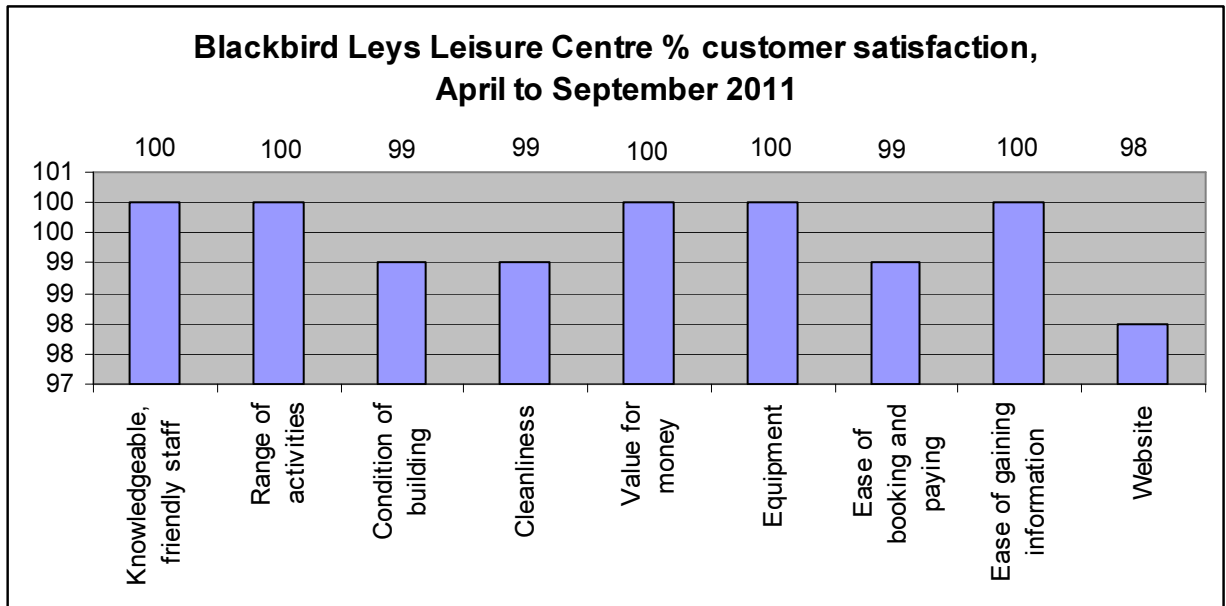
All leisure facilities



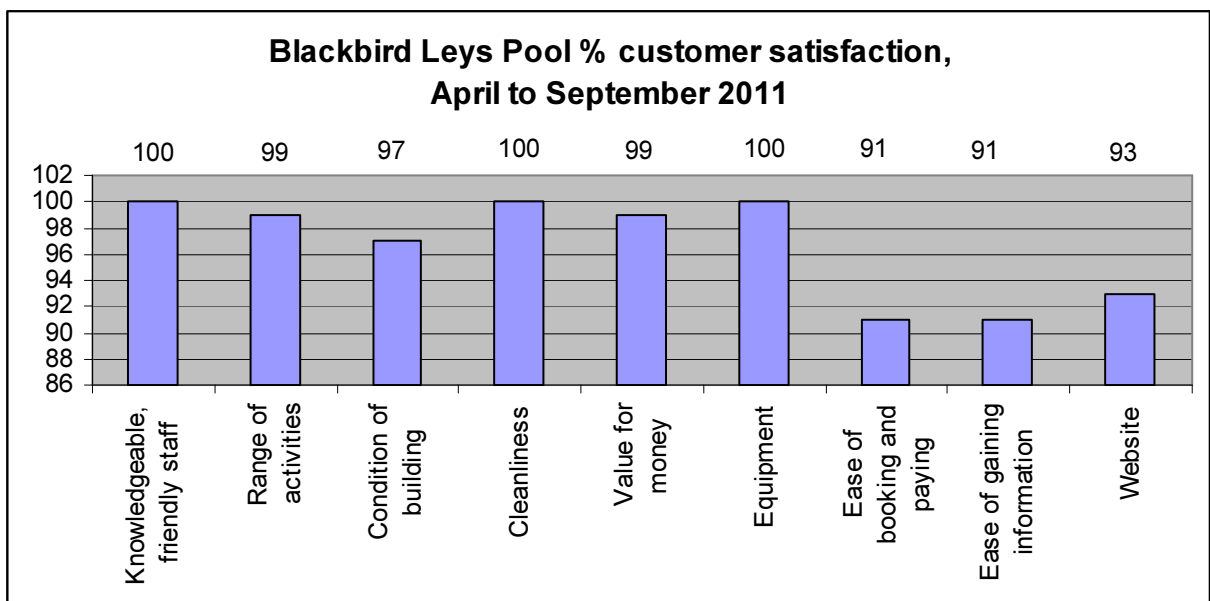
Barton Leisure Centre



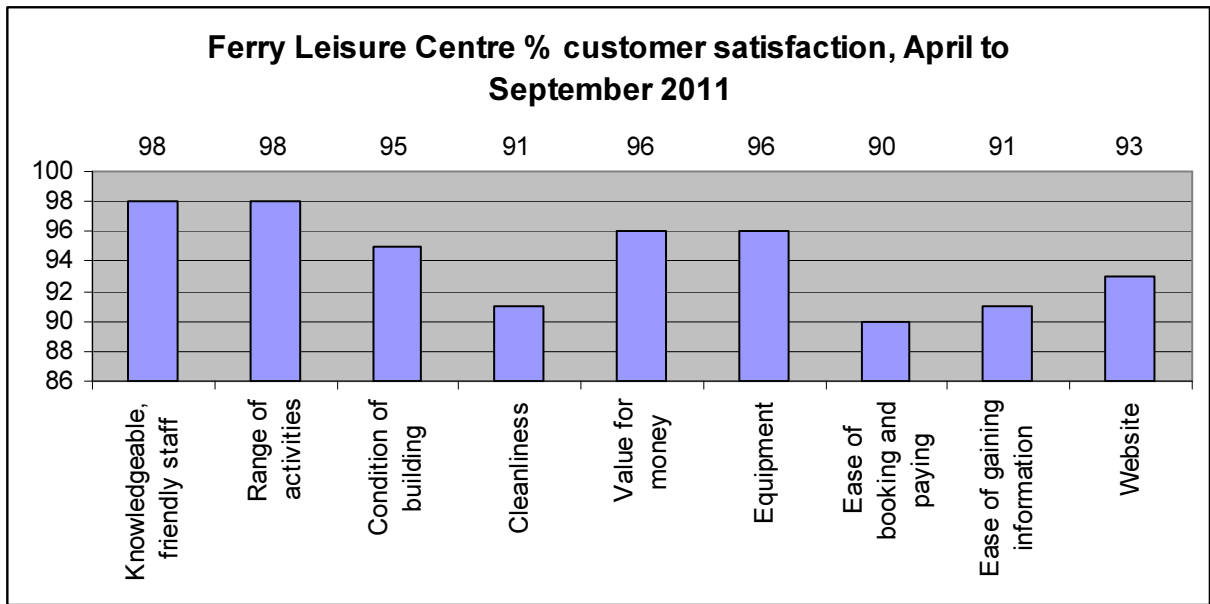
Blackbird Leys Leisure Centre



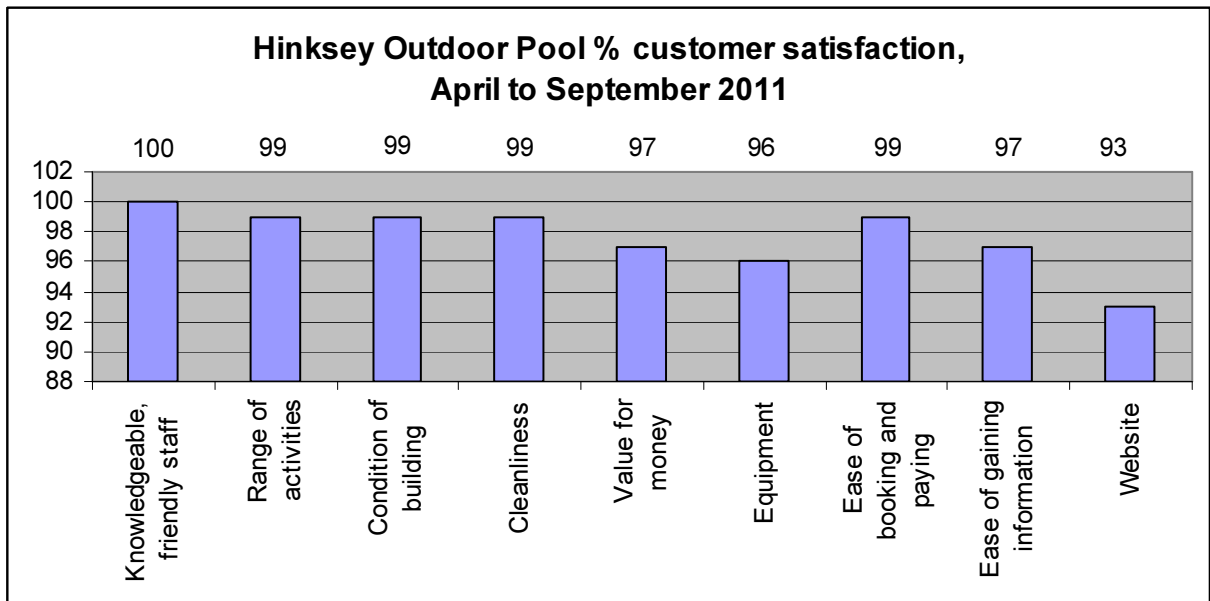
Blackbird Leys Pool



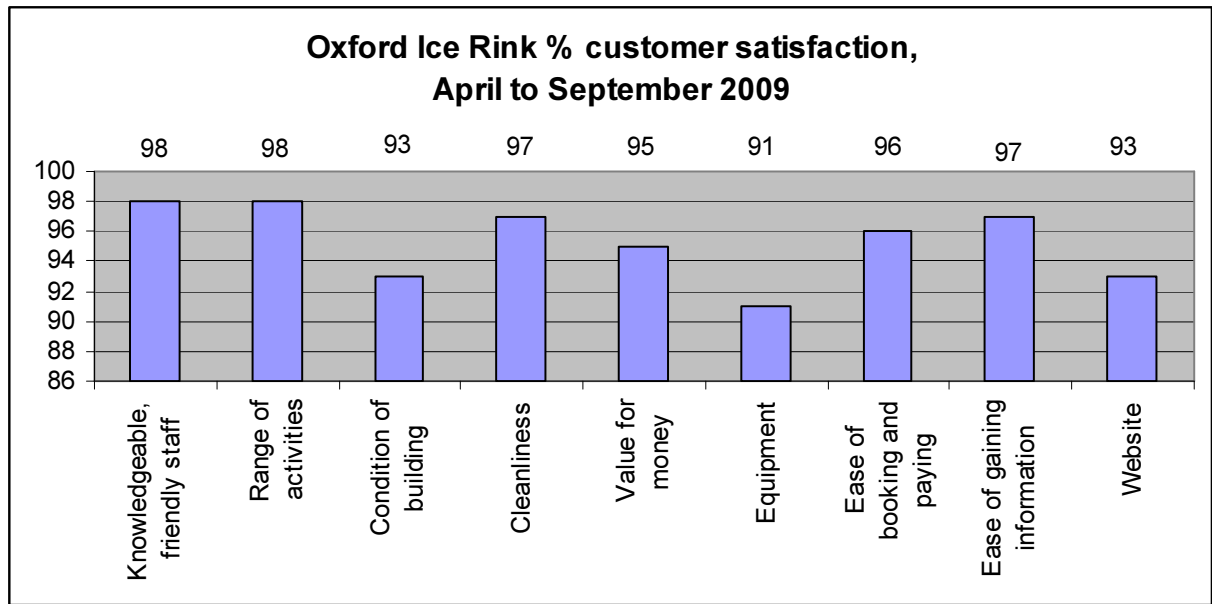
Ferry Leisure Centre



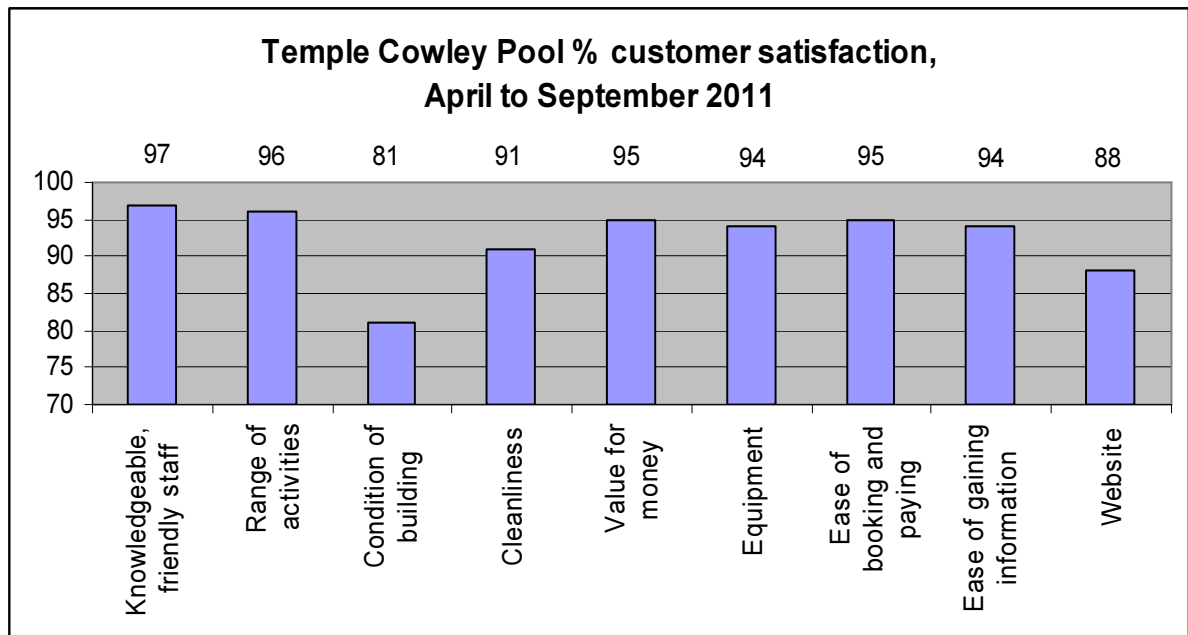
Hinksey Outdoor Pool



Oxford Ice Rink



Temple Cowley Pool



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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