

**Report of:** Executive Director City Services

**To:** City Executive Board

**Date:** 1<sup>st</sup> April 2009

**Item No:**

**Title of Report:** Continuing the Transformation of Leisure Services

### **Summary and Recommendations**

**Purpose of report:** Following the leisure restructure and the transfer of the operation of leisure centres to Fusion leisure, this report proposes how the aims, remit and structure for the Leisure services should be amended.

**Key decision:** No

**Portfolio Holder:** Cllrs Bob Timbs and Antonia Bance

#### **Report Approved by:**

Finance: Chris Kaye

Legal: Jeremy Thomas

HR: Simon Howick

Policy, Performance & Communications: Peter McQuitty

City Regeneration: Mel Barratt

#### **Policy Framework:**

- Stronger and more inclusive communities
- Transform Oxford City Council by improving value for money and service performance
- Reduce crime and anti-social behaviour

#### **Recommendation(s):**

- 1) That the leisure service is given the remit to:
  - Develop the use of sport, recreation, physical activity and play, to build stronger and more inclusive communities and improving health outcomes
  - Support the reduction in the health inequalities gap between the North and South of the City
  - Develop and lead the formation and implementation of sports, leisure, Green Spaces, Play and other related policies & strategies
  - Draw in external funding and effectively utilising developer contributions from the planning process
  - Deliver development projects at leisure centres and in parks and other open spaces

- Develop a cohesive City wide leisure offering by working with partners focused on the Oxford Sustainable Communities Plan and the Corporate Plan
  - Manage play development and play areas refurbishment
  - Manage the City's parks, open spaces and countryside
  - Manage the leisure centres contract and sharing the learning from the contract across other service areas
- 2) That the structure for the new service is approved and authority be granted to recruit to the two new posts of Sport and Leisure Development Manager and Leisure Client Manager.

## 1. Introduction & Background

### 1.1 Leisure Service overview taken from the draft 2009/2010 Service Transformation Plan

- 1.2 *The service is far more than a sum of its parts; it is a key delivery agent against hard to quantify quality of life improvements, it impacts both physical and mental health and wellbeing and is a key ingredient in reducing health inequalities. The service will play an increasing role in shaping the places we live and work and in creating a more vibrant and active community for all. The service not only delivers against shared objectives with health, education and social care improving the life of often disadvantaged groups, but has a role to play in developing sporting pathways enabling people to reach their desired potential, whether that be swimming a length or representing the country in their chosen sport.*
- 1.3 In October 2007, the Council approved the new management structure which put the Parks services with City Works and gave comprehensive delegations to the Chief Executive to do all that is necessary to bring the structure into effect, change the indicative structure and split of functions between executive directors and service heads. This delegation also includes any subsequent changes. A change to the agreed structure is being proposed to transfer the Parks service including all of the day-to-day work such as grass cutting back to City Leisure.
- 1.4 In 2008 as part of the Council restructure the leisure service was established as a standalone Sport and Leisure Business Unit, it had previously been a wider Leisure and Parks Service and prior to that a Leisure & Culture Service. The tight leisure focus enabled a successful short-term improvement programme to run in parallel with the market testing exercise.
- 1.5 The driver for this transformation was to develop the leisure centres from being a high cost and poorly performing, into a World-Class service accessible to everyone, and delivering good value for money.
- 1.6 Some of the recent improvements from this work include; a major restructure which removed 15 managerial posts alongside improving service quality, Barton Pool achieving "highly commended" status in the City's first QUEST audit (the 2<sup>nd</sup> highest first time score out of over 800 centres) and the completion of a market testing exercise which will lead to significant improvements to services and reductions in

cost.

- 1.7 The Council now needs to consider the future of the service post transfer. The senior management team having considered the challenges facing the Council and the management capacity released by the transfer recommends that the former leisure service is given a wider brief.
- 1.8 The outsourcing of the leisure centres has fundamentally changed the structure of the service and enables it to be re-positioned to focus on high priority outcomes in respect of increasing physical activity, improving health and wellbeing and contributing to building stronger, more inclusive communities. It is proposed that the service should encompass:
- Developing the use of sport, recreation, physical activity and play, to build stronger and more inclusive communities and improving health outcomes
  - Supporting the reduction in the health inequalities gap between the North and South of the City
  - Developing and leading the formation and implementation of sports, leisure, Green Spaces, Play and other related policies & strategies
  - Drawing in external funding and effectively utilising developer contributions from the planning process
  - Delivering development projects at leisure centres and in parks and other open spaces
  - Developing a cohesive City wide leisure offering by working with partners focused on the Oxford Sustainable Communities Plan and the Corporate Plan
  - Managing play development and play areas refurbishment
  - Managing the City's parks, open spaces and countryside
  - Managing the leisure centres contract and sharing the learning from the contract across other service areas
- 1.9 The rationale behind this recommendation is to build a cohesive service focused on a related set of aims, objectives and functions. The structure proposed reflects these aims, objectives and functions.
- 1.10 The structure is made up of the following elements:
- Policy & Strategy Development
  - Leisure Client
  - Development and service improvements
  - Parks and open spaces

- Sports and Play Development

1.11 Policy and Strategy development will be provided by the Head of Service working with staff in the service, across the council and with partners. The focus will be on developing policies and strategies, which deliver World Class outcomes for everyone, and good value for money.

1.12 **Leisure Client:** As the leisure centre outsourcing is the first major outsourcing to take place in the City, coupled with the high value of the contract it is important to ensure that the new contract delivers its promise. Fusion are a highly competent leisure operator and will be looking to ensure the contract works for them. Without a strong and capable client function there is an increased risk of Fusion dominating the contract, or issues from the contract not being effectively managed resulting in poor client/contractor relations, which would negatively impact other outsourcing opportunities. The Client Manager post is thus a crucial role in ensuring the contract delivers (shown in bold in appendix one).

1.13 Managing a contractual commissioning relationship of this nature and size will be new for the Council. It is therefore important that roles in the service and at the corporate centre are understood and complimentary. The roles envisaged of the Head of Service, the Client Manager and the corporate centre to achieve the outcomes of the contract are set out below.

<b>Head of Service</b>	<b>Client Manager</b> ( <i>post name may change following work with HR</i> )	<b>Procurement</b>
<ul style="list-style-type: none"> <li>- To give strategic guidance to Fusion</li> <li>- To facilitate effective partnership working</li> <li>- To guide the Client Manager to ensure best value is achieved</li> <li>- To represent OCC on the Partnership Board</li> </ul>	<ul style="list-style-type: none"> <li>- To operate on a day to day basis with Fusion to:</li> <li>- Monitor the compliance to the contract</li> <li>- Monitor the delivery of the contract using a recognised framework</li> <li>- Maximise the benefits to OCC from the contract</li> <li>- To represent OCC on leisure development projects</li> <li>- To support the Partnership Board</li> </ul>	<ul style="list-style-type: none"> <li>- To act as a critical friend to the client function</li> <li>- Support contractual compliance</li> <li>- To support future contractual negotiations e.g. changes, disagreements and extensions</li> <li>- To look for and exploit OCC contract synergies</li> <li>- To centrally attain contract knowledge to reduce the likelihood of data loss when OCC employees leave</li> </ul>

1.14 The Leisure Client will ensure the delivery against the outcomes in the contract and specifically.

- Maximising participation in sport (LAA target) in an equitable way
- Improving service outcomes
- Improving Value for Money

1.15 **Development and Service Improvements:** The other new post, the Development Manager will be involved in major projects such as a new competition pool and

skate park. They will draw in external funding and work to ensure new and existing planning obligations are delivering value. As we will transfer our technical manager, the post holder will have an important role in supervising major developments to our centres that will be carried out by Fusion.

- 1.16 Due to the previous operational focus there has been a lack of progress on supporting and developing sports and recreational opportunities across the City. There are a high number of development projects that are in need of a co-ordinated focus if they are to be effectively delivered. This will require cross departmental and inter-agency working with areas such as Parks, to bring these developments about with maximum impact.
- 1.17 The City has high aspirations for sport, which will only increase as one of the most important years for UK sport fast approaches with the hosting of the 2012 Olympics. This post and its reports will address the current lack of resources and coordination to deliver these aspirations in terms of the use of our leisure facilities, outdoor facilities and via clubs and governing bodies. This will be addressed. Currently there is also a lack of focused resources to maximise gains from the planning process and good quality timely implementation of such schemes.
- 1.18 **Parks & Open Spaces:** For some time, the Parks service has suffered from the lack of a dedicated resource focused on improving relations with Clubs and governing bodies organising sports activities on parks land.
- 1.19 It is proposed to fill that gap by merging the Parks service with Leisure providing the skills and capacity of the Development Manager, the Sports Development team and the closer links with Oxfordshire Sports Partnership.
- 1.20 The transfer will also provide greater senior management input than has been possible in the wider City Works arrangements, particularly as the focus there is currently on waste and recycling.
- 1.21 Currently the Sports Partnership Hub, which is funded by Sport England and the Primary Care Trust, operates out of Blackbird Leys Leisure Centre. This function is managed by the Community Safety team, which is part of the Community Housing and Community Development service. An argument could be made to transfer this into the Leisure service to be part of this new grouping. However, the funding for the hub activities runs out in the autumn of 2009, therefore this is not a suitable time for a transfer. However, what is put in place to replace the hub activities will involve the Leisure service and Fusion Leisure who will be running the centres. It is therefore proposed that any outcome from the post hub situation is managed from within the Leisure service.
- 1.22 The Community Housing and Community Development service also currently manage two small indoor sports facilities at Northway and East Oxford. It is proposed that the management of these do transfer, to gain from the economies of scale and expertise in leisure in the running of facilities.
- 1.23 **Sports & Play Development:** It is proposed to give the lead to policy and strategy development to the leisure service. Sports Development will be provided primarily

through this service. Play Services, such as the summer schemes, will continue to be provided through the Community Safety Team for the time being. This will be reviewed along with developments in respect of the Sports Partnership Hub.

## **2.0 How will the delivery be measured?**

2.1 Delivery will be measured using the Corporate Performance Management system for both performance indicators and projects assigned to the service.

## **3.0 Financial Implications**

3.1 With the exception of the Client Manager and the Sport & Leisure Development Manager (shown in bold in appendix one), all posts are current and are budgeted for. Subject to evaluation, the estimates for these posts excluding on costs are £26k (Client Manager) and £32k (Sport & Leisure Development Manager). These costs have been included in the overall evaluation and costing of the Leisure Market Testing exercise.

## **4.0 Risk**

4.1 The proposals are considered low risk and mitigate some risks in the current arrangements. The key risk is around managing the relationship with Fusion Leisure.

## **5.0 Equalities**

5.1 Sports, Play and Leisure activities have much to offer in building stronger communities and promoting equalities. The Equality Scheme Action Plan for leisure will be reviewed in light of this report to ensure that any synergies are realised and unintentional inequalities are avoided.

## **6.0 Staff**

6.1 Staff and trade unions have been consulted and comments will be reported to the meeting.

## **7.0 Conclusion & Recommendations**

7.1 The arrangements with Fusion Leisure provide an opportunity to review the purpose, scope and structure of the Leisure Service.

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*Version 1.8*

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Background papers : None

Appendix 1 – New Structure

