

To: City Executive Board

Date: 10 April 2014

Report of: Head of Leisure, Parks and Communities

Title of Report: Fusion Lifestyle's 2014/ 2015 Annual Service Plan for the management of the council's leisure facilities

Summary and Recommendations

Purpose of report: The report recommends that the City Executive Board endorse Fusion Lifestyle's Annual Service Plan for the management of the Council's leisure facilities for 2014/15.

Key decision: Yes

Executive lead member: Councillor Mike Rowley

Policy Framework: - Leisure Facilities Review 2009 to 2013
- Sport & Physical Activity Strategy 2009 to 2014

Recommendation(s): That the City Executive Board endorses Fusion Lifestyle's Annual Service Plan for 2014/15.

Appendix One – Fusion Lifestyle's 2014/ 2015 Annual Service Plan

Appendix Two – Fusion Lifestyle's Annual Service Plan summary 2013/2014

Appendix Three – Risk register

Appendix Four – Initial Equality Impact Assessment

Introduction

- 1.1 In March 2009 the council entered into a contract with Fusion Lifestyle (Fusion) a social enterprise with charitable status to manage the Council's Leisure Facilities. The contract was for ten years, with a five year extension clause.
- 1.2 The contract with a social enterprise whose sole focus and extensive expertise is operating leisure facilities has greatly improved the user experience, alongside achieving savings of around £660,000 per year. Over this period the facilities that we are keeping have been greatly improved with around £4.6 million of investment, which has in the main been funded by the contract savings.

1.3 In February 2014 the City Executive Board agreed to extend the contract to for the development, management and operation of the City's leisure centres for a five year period to April 2024.

1.4 By progressing with the extension at this midway stage of the contract, the Council are able to bank significant revenue saving alongside advancing further contract improvements such as:

Staffing and Young People:

- Improved opportunities for apprenticeships
- Improved work experience opportunities
- Continued commitment to the Oxford Living Wage

Facility Improvements:

- Fusion will carry out and present an annual facility review of the Oxford Leisure Service to assist the parties to create an options plan, fully recognising current and changing market trends and best practice.

Competition Pool Development:

- Fusion will review all existing timetable arrangements at Temple Cowley and Blackbird Leys (old) Pool and draw up action plans to incorporate change for stakeholder engagement.
- Fusion will engage with partner organisations to implement a sport and community development plan.
- On completion of the development a multi-use games areas will be created in the existing construction compound.

Social Impact:

- Fusion will commission an independent study of the social impact of the provision of the Oxford Leisure Service.

1.5 Fusions 2014/15 Annual Service Plan (Plan) builds on the Council's approach to delivering world class leisure provision to Oxford residents.

1.6 Leisure provision in the city is continuously improving since the collaboration with Fusion in 2009 and supports the Council's strategic aims. The achievements to date can be summarised as:

- Usage has increased by 40 per cent on pre contract levels, now totalling around 1.3 million visits a year.
- The main increase in usage is in our target groups, which have increased by 118 per cent.

- The net subsidy per user has reduced from over £2 to 60 pence per user including utilities - a zero subsidy by 2016 is now forecast.
- Customer satisfaction levels of 96% (excluding those sites that have been replaced with the new pool in 2014).
- Quest (the sport and leisure industries quality assurance scheme) has been achieved and maintained at five centres.

1.7 The 2014/15 Plan is focused on delivering the Council's priorities in the most effective and efficient way and places significant focus upon:

- Accessible and affordable leisure opportunities through pricing structures at appropriate and inclusive levels.
- Improving health and well-being by positively promoting and delivering the benefits of healthy living and active lifestyles.
- Supporting the council's Youth Ambition Programme
- Tackling climate change and promote sustainable environmental resource management providing quality through continuous improvement.
- Driving value for money by ensuring that the leisure offering is of a high standard and innovative.

Development of the Annual Service Plan

2.1 The Plan was developed between Fusion and council officers and agreed by the Leisure Partnership Board. The Board consists of representatives from the following groups:

- Executive and opposition member for leisure
- Customers
- Health
- Older people
- Senior Council and Fusion Officers

The function of the Board is to oversee the delivery of the city's corporate objectives through the leisure contract.

2.2 Preparation of the 2014/15 Plan has incorporated:

- Review of performance from contract commencement
- Review of achievements in respect of national and industry relevant benchmarks
- Commitments and intentions set out in Fusion Lifestyles tender submission
- Liaison with stakeholders
- Linkage to the Council's corporate plan

2.3 A summary document will clearly set out the Plan headlines and be available to customers, staff and other key stakeholders. The document

will be printed in a format consistent to previous contract years. (Appendix Two, Fusion’s 2013/14 Summary Plan).

2014/15 Performance Targets ¹

3.1 Key targets committed to in the 2014 /15 Plan include:

Key 2013/ 2014 objectives	2013/14 target	2014/15 estimated target
To reduce the subsidy per user in leisure facilities	65 pence	44 pence ²
year-on-year increase in participation by users resident in the most deprived wards in the city	114,300 visits	117,700 visits
year-on-year increase in participation by users aged over 50 years of age	84,400 visits	86,500 visits
year-on-year increase in participation by Women and girls.	398,000 visits	410,000 visits
year-on-year increase in participation by users aged under 16 years.	128,000 visits	131,840 visits
year-on-year increase in participation by users from Black, Minority and Ethnic groups.	77,300 visits	79,600 visits
year-on-year increase in participation by disabled users.	15,700 visits	16,000 visits
Maintain Customer satisfaction levels above 95%.	96 per cent	96 per cent
To retain Quest accreditation at five facilities at least “good” level	5 facilities	5 facilities
Reduce utility consumption against the 2013/14 baseline.	2 per cent	2 per cent

Performance management

4.1 There will be an on-going review and monitoring process for the plan. This will incorporate management scrutiny, monthly client performance reports, monthly meetings between key representatives of the Council and Fusion, quarterly Leisure Partnership Board meetings and a formal review in advance of the 2015/16 planning process.

Level of risk

5.1 There is a medium level of risk to service provision. Descriptions and mitigation for this level of risk are demonstrated in the Risk Register, (Appendix Three).

¹ Based on April 2013 to January 2014 visits

² Based on the extended contract financial schedule

Climate change / environmental impact

6.1 The Plan has targets and actions that will have a positive environmental impact. These contribute to the Council's commitment for tackling climate change, promoting sustainable environmental resources, and to the reduction of carbon and water. Actions within the Plan support the Council's Carbon Management Plan,

Equalities impact

7.1 Targets and actions within the Plan ensure equitable access to improved facilities and encourage increased usage for underrepresented and concessionary groups. , in accordance with the equalities impact assessments and action plan, (Appendix Four).

Financial implications

8.1 Savings from the contract with Fusion are already reflected in the council's budget and the risk for achieving these is Fusions. The management agreement also contains provisions to share profits that are made above those agreed when the contract was agreed.

Legal Implications

9.1 The Council has a contractual relationship under which the council's leisure facilities are managed by Fusion. The Leisure Management Agreement sets out the range of contractual requirements with which Fusion must comply. Fusion's delivery of the Plan is a contractual commitment.

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Service Area / Department: Leisure, Parks and Communities

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Version number: Draft 4.2

Appendix Three: Fusion Lifestyle 2014/ 2015 Annual Service Plan for the management of the Council's leisure facilities.

Risk Implications

Risk				Gross Risk		Current Risk		Residual Risk		Owner	Control Description
Description	Cause	Consequence	Date raised	I	P	I	P	I	P		
Dissatisfaction with delivery of leisure provision	Lack of intrinsic linkage within the Plan to enable delivery of the Council's Corporate Plan; Poor development of objectives and targets in respect of achieving the council's aspirations and vision.	Stakeholder dissatisfaction, loss of income, reputation damage, loss of future opportunity	21 Feb 14	2	2	2	2	1	1	Head of Service	Establishment of a detailed Annual Service Plan that sets out the strategic objectives and required actions; with a comprehensive on-going monitoring of performance in respect of key service criteria.
The 2014/ 2015 Annual Service Plan strategic aims do not reflect corporate priorities	Lack of assimilation with the Councils Corporate Plan	Value for money not achieved; failure to provide the aspiration of a World-Class leisure service.	21 Feb 14	3	3	3	3	2	1	Head of Service	Strategic direction from the Leisure Partnership Board and Council Leisure Delivery Board; Effective engagement with representatives of the Leisure Partnership Board and other internal and external officers; Robust development process for the delivery of the 2013/ 2014 Fusion Lifestyle Annual Service Plan.
Failure to achieve the commitment to accessible savings	Lack of financial consideration and planning within the delivery strands of the 2014/ 2015 Annual Service Plan.	Value for money not achieved.	21 Feb 14	3	3	3	3	3	1	Head of Service	Robust performance and financial monitoring procedures to detect variations and put in mitigating actions.
Business Continuity Planning	Failure to maintain an up to date Business Continuity Plan.	Leisure centres being unable to operate for a period of time.									Regular review of current Business Continuity Plan and annual testing of plan.

				3	2	2	2	2	2		
Reputational Risk	Failure to manage repercussions following a serious event at a centre	Reputation loss of Oxford City Council		2	3	1	2	1	2		<p>Emergency Plan for control of media exposure.</p> <p>Health & Safety monitoring and reporting regime in place and externally audited.</p>

Appendix Four: Fusion Lifestyle 2014/ 2015 Annual Service Plan for the management of the Council's leisure facilities.

Initial Equalities Impact Assessment

Service Area: Leisure, Parks and Communities	Section: Leisure management contract	Key person responsible for the assessment: Leisure and Performance Manager	Date of Assessment: 21 February 2014
Is this assessment in the Corporate Equality Impact assessment Timetable for 2013-2015?	Yes	No	
Name of the Policy to be assessed: 06 <ul style="list-style-type: none"> • Leisure Facility Review 2009/2013 • Sport & Physical Activity Strategy 2009/2014. Fusion Lifestyle's 2014/ 2015 Annual Service Plan for the management of the Council's leisure facilities.	Is this a new or existing policy	Existing	

1. Briefly describe the aims, objectives and purpose of the policy

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The overriding objectives of the leisure management contract are:

- To develop world-class leisure facilities and to improve the value for money they offer;
- To reduce the overall subsidy for leisure services, prior to 2009 the subsidy per user was one of the most expensive in the country;
- Alongside the benefits of a successful contract such as increased participation, an upward cycle of continued improvement, and an improved public realm, there is also a surplus share arrangement that encourages the Council to support Fusion Lifestyle to exceed their contractual financial targets and provide further leisure investment.

The quality and service standards are high and facilities will be accessible with diverse and with inclusive programmes.

- Charging at market rate for those that can afford and running a highly cost effective service so that a surplus is created to fund a progressive concessions programme.
- Central part of the Corporate Plan for 2014-2018

The vision for delivery of leisure facility provision is to:

- Continuously improve the service for all users
- Reduce the subsidy per user
- Have greater energy efficiency from the leisure facilities
- Provide modern world-class leisure facilities to enhance the quality of life for everyone.

<p>2. Are there any associated objectives of the policy, please explain</p>	<p>The Leisure Facility Review (May 2009) detailed the Council's strategic approach to developing a city wide leisure offer that includes all facilities irrespective of ownership across the city. The review detailed a sustainable way forward for our leisure facilities, of which two are in poor condition.</p>
<p>3. Who is intended to benefit from the policy and in what way</p>	<ul style="list-style-type: none"> • Users of all leisure facilities in Oxford; • Local tax payers; • Target Groups: Those under the age of 16 and over the age of 50 years; Black, Minority and Ethnic groups; those with disability; Women and girls; Those resident in the most deprived areas of the City; those on a low income (and their dependants). • City communities.
<p>4. What outcomes are wanted from this policy?</p> <p>The policy is intrinsically linked to enabling the delivery of the Council's Corporate Plan, and has been developed to clearly set the objectives and targets in respect of achieving the council's aspirations and vision for delivering modern world-class leisure services.</p> <p>The vision for delivery of leisure facility provision is to:</p> <ul style="list-style-type: none"> • Continuously improve the service for all users • Reduce the subsidy per user • Provide greater energy efficiency from the leisure facilities • Offer modern world-class leisure facilities to enhance the quality of life for everyone. • Targeted improvements in use by under-represented groups, women, older people, BME. 	
<p>5. What factors/forces could contribute/detract from the outcomes?</p>	<ul style="list-style-type: none"> • The general economic climate. • Competition from the wider leisure industry.

<p>6. Who are the main stakeholders in relation to the policy</p>	<ul style="list-style-type: none"> - Oxford City Council; - Councillors; - Fusion Lifestyle; - Facility users; - Residents; - Partners 	<p>7. Who implements the policy and who is responsible for the policy?</p>	<p>Leisure, Parks and Communities; Executive Director Community Services</p>
<p>8. Are there concerns that the policy <i>could</i> have a differential impact on racial groups?</p>	<p style="text-align: center;">No</p>	<p style="text-align: center;">No</p>	
<p>What existing evidence (either presumed or otherwise) do you have for this?</p>	<p>A wide offer of inclusive membership options and concessionary prices are available supporting affordability and participation opportunity.</p> <p>Fusion Lifestyle shares the Council's commitment to equality and diversity ensuring that services are reflective and responsive to local need. Their core charitable objectives focus on the provision of recreational and sporting services in the interests of social welfare; special facilities for target groups; and promoting community participation.</p> <p>Key elements of Fusions sports and community development plan are:</p> <ul style="list-style-type: none"> • Research; Consultation; Programming; Pricing; Promotion; Partnerships. <p>There is no pricing differentiation due to racial group.</p> <p>Fusion maintains association with "community ambassadors" with whom to work to promote accessibility to the leisure facilities for BME groups.</p>		

<p>9. Are there concerns that the policy <i>could</i> have a differential impact due to gender?</p>	<p>Yes</p>	<p>No</p>
<p>What existing evidence (either presumed or otherwise) do you have for this?</p> <p style="text-align: center;">06</p>	<p>A wide offer of inclusive membership options and concessionary prices are available supporting affordability and participation opportunity.</p> <p>Fusion Lifestyle shares the Council's commitment to equality and diversity ensuring that services are reflective and responsive to local need. Their core charitable objectives focus on the provision of recreational and sporting services in the interests of social welfare; special facilities for target groups; and promoting community participation.</p> <p>Key elements of Fusions sports and community development plan are:</p> <ul style="list-style-type: none"> • Research; Consultation; Programming; Pricing; Promotion; Partnerships. <p>There is no pricing differentiation due to gender.</p> <p>Fusion Lifestyle has secured funding to employ an Oxford City Active Women coordinator. Active Women is a 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 and provision includes tennis, jogging, football, netball, badminton, trampolining, basketball and swimming.</p>	

10. Are there concerns that the policy could have a differential impact due disability?

No

No

What existing evidence (either presumed or otherwise) do you have for this?

A wide offer of inclusive membership options and concessionary prices are available supporting affordability and participation opportunity.

Fusion Lifestyle shares the Council’s commitment to equality and diversity ensuring that services are reflective and responsive to local need. Their core charitable objectives focus on the provision of recreational and sporting services in the interests of social welfare; special facilities for target groups; and promoting community participation.

Key elements of Fusions sports and community development plan are:

- Research; Consultation; Programming; Pricing; Promotion; Partnerships.

Those entitled to disability benefits, and their dependants are entitled to excellent discounts through the Bonus concessionary membership scheme.

Fusion Lifestyle has an active partnership with disability swimming group ‘Oxford Swans’ who hold sessions at Ferry Leisure Centre and Temple Cowley Pools.

Facilities comply with DDA legislation and development schemes progressed in partnership with Fusion Lifestyle give full consideration to needs of this target group.

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11. Are there concerns that the policy could have a differential impact on people due to sexual orientation?

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No

What existing evidence (either presumed or otherwise) do you have for this?

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A wide offer of inclusive membership options and concessionary prices are available supporting affordability and participation opportunity.

Fusion Lifestyle shares the Council's commitment to equality and diversity ensuring that services are reflective and responsive to local need. Their core charitable objectives focus on the provision of recreational and sporting services in the interests of social welfare; special facilities for target groups; and promoting community participation.

Key elements of Fusions sports and community development plan are:

- Research; Consultation; Programming; Pricing; Promotion; Partnerships.

There is no pricing differentiation due to sexual orientation.

12. Are there concerns that the policy could have a differential impact on people due to their age?

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No

What existing evidence (either presumed or otherwise) do you have for this?

A wide offer of inclusive membership options and concessionary prices are available supporting affordability and participation opportunity.

Fusion Lifestyle shares the Council’s commitment to equality and diversity ensuring that services are reflective and responsive to local need. Their core charitable objectives focus on the provision of recreational and sporting services in the interests of social welfare; special facilities for target groups; and promoting community participation.

Key elements of Fusions sports and community development plan are:

- Research; Consultation; Programming; Pricing; Promotion; Partnerships.

Concessionary fees and charges are available to these targeted groups. Additionally the Council continues to provide targeted free swimming and free swimming lessons for those aged under 17 years of age and resident in the City.

Fusion offer Primetime sessions for those aged 50 years and over.

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13. Are there concerns that the policy could have a differential impact on people due to their religious belief?

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No

What existing evidence (either presumed or otherwise) do you have for this?

A wide offer of inclusive membership options and concessionary prices are available supporting affordability and participation opportunity.

Fusion Lifestyle shares the Council’s commitment to equality and diversity ensuring that services are reflective and responsive to local need. Their core charitable objectives focus on the provision of recreational and sporting services in the interests of social welfare; special facilities for target groups; and promoting community participation.

Key elements of Fusions sports and community development plan are:

- Research; Consultation; Programming; Pricing; Promotion; Partnerships.

There is no pricing differentiation due to religious belief.

Fusion activity programming includes ladies only sessions and swimming lessons (i.e. Temple Cowley Pool and Ferry Leisure Centre).

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17. Are there implications for the Service Plans?			YES	No	18. Date the Service Plan will be updated	April 2014	19. Date copy sent to Equalities Officer	TBC
20. Date reported to Equalities Board:			n/a		Date to Scrutiny and CEB	9 April 2014	21. Date published	TBC
14. Could the differential impact identified in 8-13 amount to there being the potential for adverse impact in this policy?	☒	No	15. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason				☒	No
16. Should the policy proceed to a partial impact assessment?	☒	No	If Yes, is there enough evidence to proceed to a full EIA:				No	
			Date on which Partial or Full impact assessment to be completed by				n/a	

Signed (completing officer): Lucy Cherry Signed (Lead Officer) Ian Brooke

Team members and service areas that were involved in this process:

Leisure, Parks & Communities:
Head of Service
Leisure and Performance Manager

People & Equalities:
Equalities & Diversity Business Partner

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