

To: City Executive Board
Date: 14 July 2016
Report of: Head of Community Services
Title of Report: Fusion Lifestyle's 2016/ 2017 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 2016/17.
Key decision:	Yes
Executive Board Member:	Councillor Linda Smith. Leisure, Parks and Sport
Corporate Priority:	Strong, Active Communities; Vibrant, Sustainable Economy; Cleaner, Greener Oxford City Council.
Policy Framework:	Leisure and Wellbeing Strategy, 2015 to 2020.
Recommendation(s): That the City Executive Board resolves to:	
1. Endorse the Fusion Lifestyle Annual Service Plan for 2016/17.	

Appendices	
Appendix 1	Fusion Lifestyle's Annual Service Plan summary 2016/2017
Appendix 2	Risk Register
Appendix 3	Initial Equality Impact Assessment

Introduction and background

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

3. Fusions 2016/17 Annual Service Plan (Plan) builds on the Council's approach to delivering world class leisure provision to Oxford's residents.
4. The contract with a social enterprise whose sole focus and extensive expertise is operating leisure facilities has greatly improved the user experience, alongside savings of around £660,000 per year.
5. Over this period facilities have been greatly improved with around £13.5 million of investment, which has in the main been funded by the contract savings.

The 2016/ 17 Plan

6. Leisure provision in the city is continuously improving since the collaboration with Fusion in 2009 and supports the Council's strategic aims. The 2016/17 Plan is focused on delivering the Council's priorities in the most effective and efficient way and places significant focus upon:
 7. Accessible and affordable leisure opportunities through pricing structures at appropriate and inclusive levels.
 - Usage has increased by 54¹ 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 (people from areas of deprivation, Black, Asian and Minority Ethnic Groups (BAME), people, older people, disabled people, women and girls and under-17s), which have increased from 148,000 visits in 2009/10 to 542,000 visits in 2015/16².
 8. Improving health and well-being by positively promoting and delivering the benefits of healthy living and active lifestyles.
 - Pilot healthier vending machine scheme at Leys Pools & Leisure Centre.
 - In partnership with Oxfordshire Sport and Physical Activity – OxSPA - Active Women programmes designed to overcome barriers that prevent women being active.
 - Provision of reduced cost facilities to local groups such as Oxford Swans disability swimming group.
 - Exercise on referral scheme in partnership with local Health Practitioners and OxSPA.
 - Healthy Body, Healthy Mind initiative in partnership with Oxfordshire Mind.
 - Low cost, low commitment and social No Strings Badminton programmes.
 9. Supporting the council's Youth Ambition Programme.
 - Council funded free swimming sessions and lessons for those under 17 years of age and living in the city.
 - Junior Gym sessions in city leisure facilities.
 - Affordable leisure memberships offer for those less able to afford to participate.

^{1, 2, 3, 4, 5.} Based on April 2015 to February 2016 visits

- Venue provision for Youth Ambition projects.
10. Tackling climate change and promote sustainable environmental resource management providing quality through continuous improvement.
- OCC has been working in collaboration with Fusion on a range of Carbon reduction projects, such as:
 - Solar Photovoltaics
 - Biomass wood chip boiler
 - Voltage Optimisers
 - Waste Heat Recovery
 - LED Lighting
 - Pool covers
 - Boiler optimisation and upgrades
 - Since 2011 an estimated 212tonnes of carbon dioxide per year has been avoided and estimated £41,000 per year saving in energy spends. This has been achieved against a backdrop of a large increase in participation and indicates good progress and commitment with the Councils priority to reduce carbon emissions.
11. Driving value for money by ensuring that the leisure offering is of a high standard and innovative.
- The net subsidy per customer has reduced from over £2.14 to £0.08³ and is on target to reduce to reach zero by 2017.
 - Additional increases in the Oxford Living Wage and energy costs have been absorbed.
 - Quest (the sport and leisure industry quality and customer assurance scheme) has been achieved and maintained at all the centres, with Ferry Leisure Centre achieving “Quest excellent.”
 - Development on time and within budget of the Leys Pool and Leisure Centre.
12. Delivering Service Excellence by striving to achieve an excellent customer satisfaction rating.
- Currently very high customer satisfaction levels - 95 per cent⁴ satisfied and 60 per cent⁵ of customers rate the centres as excellent.
 - The Council’s leisure management partnership with Fusion was a recognised finalist in the 2015 Association of Public Service Excellence - APSE - Service Awards.

Development of the 2016/17 Plan

13. The 2015/16 Plan was developed between Fusion and council officers and agreed by the Leisure Partnership Board. The Board consists of representatives from the following groups:

- Leisure centre customers
- Older people
- Young people
- Executive member (labour) with the responsibility for leisure
- Liberal democrat with the responsibility for leisure
- Senior Council and Fusion Officers
- Public Health
- Oxfordshire County Council - Early Intervention

The function of the Board is to oversee the delivery of the city's corporate objectives through the leisure contract. An effort has been made to broaden input into the Board and over the last year there has been more attendance and contribution from Public Health, Early Intervention and Young People.

14. Preparation of the 2016/17 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

15. 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 One, Fusion's 2015/16 Summary Plan).

16. There are no alternatives to the proposed Plan.

2016/17 Performance Targets ⁶

17. Key targets committed to in the 2016/17 Plan include:

Key 2016/ 2017 objectives	2015/16 estimated outcome	2016/17 target
To reduce the subsidy per user in leisure facilities	£0.08	£0.00
Year-on-year increase in participation by resident in the most deprived wards in the city	163,000 visits	171,000 Visits
Year-on-year increase in participation by people over 50 years of age	124,000 visits	130,000 visits
Year-on-year increase in participation by women and girls.	498,000 visits	523,000 visits
Year-on-year increase in participation by people aged under 17 years.	211,000 visits	221,000 visits
Year-on-year increase in participation by Black, Asian and Minority Ethnic people	87,000 visits	91,000 visits
Year-on-year increase in participation by people with a disability.	20,000 visits	21,000 visits
Year-on-year increase in participation by key target groups ⁷ .	606,000 visits	636,000 visits
To maintain customer satisfaction levels at leisure facilities above 95% (Good, Satisfactory, Excellent).	>95%	> 95%
Striving for excellence with the aim on achieving an excellent customer satisfaction rating. ⁸	62%	65%
To retain Quest accreditation at four facilities at least “good” level. One at Quest Excellence	5 facilities	5 facilities
Reduce utility consumption against the 2013/14 baseline.	2 per cent	2 per cent

18. The overall number of customer visits to leisure facilities in 2015/16, is expected to be more than more than 1.4 million, an increase of 64 per cent since contract commencement; approximately 556,000 more visits per annum when compared with the period prior to the transfer to Fusion.

19. The number of visits to leisure facilities by target groups continues to increase. The biggest percentage uplift is in target groups.

⁶ Based on April 2015 to February 2016 visits

⁷ Young People, Older people, those with disabilities, BAME and those from areas of deprivation.

20. Most of the 2015/16 figures are outcomes, for some we are waiting for final participation figures from Fusion.
21. Over the next year we will be investing £50,000 in planned maintenance. We will also be installing a new multi-use games area and new parking bays at The Leys Pools and Leisure centre.
22. Competitor benchmarking against neighbouring leisure providers continues to demonstrate that fees and charges in city leisure facilities continue to be at least comparable.
23. The Bonus concessionary membership scheme continues to offer those in receipt of one of 15 eligible benefits, and their dependents, reduced rates on activities at all our leisure facilities.

Performance Management

24. 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 2017/18 planning process.

Environmental

25. 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. The partnership between the Council and Fusion will continue to stretch this and where additional investment is required it may be possible to build sound business case.

Financial implications

26. 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 Legal issues.
27. 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 Service Plan is a contractual commitment.

Level of risk

28. There is a low level of risk to service provision. The contract has a good track record, strong contract management and member scrutiny. Descriptions and mitigation for this level of risk are demonstrated in the Risk Register, (Appendix Two).

Equalities impact

29. 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 Three).

Report author	Lucy Cherry
Job title	Leisure and Performance Manager
Service area or department	Community Services – Active Communities
Telephone	01865 252707
e-mail	lcherry@oxford.gov.uk

Background Papers: None
1 Fusion Lifestyle 2016/ 2017 Annual Service Plan

This page is intentionally left blank