



## OXFORD CITY COUNCIL

### INTERNAL AUDIT REPORT - FINAL

AUDIT 12. FUSION  
MARCH 2019

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Moderate	Moderate

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DISTRIBUTION	
Name	Job Title
Ian Brooke	Head of Service
Lucy Cherry	Leisure and Performance Manager

REPORT STATUS LIST	
Auditors:	Tiyese Namwinga and Gurpreet Dulay
Dates work performed:	August to December 2018 Extended time to attend customer panels and also conduct additional testing with Fusion
Draft report issued:	December 2018
Final report issued:	March 2019

## EXECUTIVE SUMMARY

### LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)

Design	Moderate	Generally a sound system of internal control designed to achieve system objectives with some exceptions.
Effectiveness	Moderate	Evidence of non compliance with some controls, that may put some of the system objectives at risk

### SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I FOR DEFINITIONS)

High	0
Medium	3
Low	5

### TOTAL NUMBER OF RECOMMENDATIONS: 8

### CRR REFERENCE:

Strong and Active Communities

### BACKGROUND:

The Council have contracted Fusion to operate and manage five centres the Council own. To manage this contract the following meetings are in place:

- Daily operational contact as appropriate (i.e. email or telephone)
- Weekly operational Teleconference meetings
- Monthly Client Performance Meeting
- Quarterly Leisure Partnership Board
- Quarterly Senior Stakeholder Meetings.

The Council have Leisure and Performance Manager in place whose role includes monitoring delivery of the contract performance against agreed KPIs and through the mechanisms above. If the contractor is not meeting performance standards then they can attract financial penalties through a points based system. Fusion sets out an Annual Service Plan which details their aims and objectives in respect of the delivery of leisure services on behalf of Oxford City Council in the year.

We carried out a review of the Fusion Partnership in 2017/18 and concluded moderate assurance over both the design and effectiveness of the controls in place, raising three medium recommendations to improve the control environment. A re-audit of the Fusion partnership arrangements has been included in the 2018/19 plan, however this time focussing on arrangements to meet customers' expectations and engaging with them and how provider resilience is assessed.

## Context

It should be set out that there are differences between the centres in of Oxford; it is found easier to engage with customers in certain centres but harder in others and this shows in the engagement in customer forums as there are more volunteers. For example, there is very good User Group Representative for Ferry Leisure Centre who regularly attend and constructively contribute to Leisure Partnership Board meetings. Additionally they positively engage with the Fusion team and Leisure & Performance Manager outside of the Board meeting. Recent examples include a site meeting with L&P Manager and the new GM; User group feedback and concern on proposals for Childcare provision at FLC. This has shown better engagement in Hinksey and Leys with meet the manager sessions operating well. The other wider context to take into account is that overall customer satisfaction identified through surveys shows a monthly average score in March 2016 of 75.6% and in September 2018 it was 86.4%.

The market that is operated in is also difficult in terms of competition of other providers. Providers have greater freedoms and fewer restrictions on pricing or approval of changes to pricing which can make it harder to adapt react to competitive challenges.

There are also stronger discussions at a senior level between the Council and Fusion with the Council Head of Service and Fusion Chief Executive meeting quarterly to discuss market challenges and customer satisfaction. The market challenge discussions include threats and opportunities and how the centres can best respond to them along with areas of service delivery that need to be improved. On an operational level Fusion have a weekly operational meeting with the Council to discuss progress on formal performance meetings which are held monthly.

In terms of this review, the report was initially issued in December 2018 and between January and February 2019, Fusion quickly engaged with assessing the findings and taking action and their progress is set out in the management responses to findings. This engagement is welcomed and shows the importance placed by them on continuous improvement. It should be noted however that these improvements help improve our view on the design of controls. The effectiveness of controls however at this point cannot be judged until these new arrangements have bedded in and we have an opportunity to then assess them.

### GOOD PRACTICE:

We have identified the following areas of good practice from the review:

- Reporting from Fusion to the Council is sound in that it happens regularly and in agreed formats in a timely manner. This includes information on customer complaints and compliments and the outcomes of surveys with high level actions on how further improvement can be made
- Customer representatives from each facility are invited and some do attend the Leisure Partnership Board meetings.
- Other key stakeholders invited to Leisure Partnership Board meetings include the Board & Shadow Executive Board members for Leisure; Older people and Young People representatives; Representation from Oxfordshire Clinical Commissioning Group.
- The central customer complaint process via Market Force operates well with responses identified and acted upon largely in a timely and sympathetic manner.

### Data Validation

During the review we were requested to undertake an additional review of the data reported from Fusion to the Council on customer footfall figures. To validate data we selected a number of reported data-sets from Fusion across September and October 2018 from monthly reports issued to the Council and asked to see source information. We also discussed how Fusion applies assumptions to data when recording statistics. We found:

- Fusion was able to provide source data which validated 100% of the information we selected
- Fusion was able to discuss and provide logical reasons for the assumptions applied.

Therefore this is identified as good practice and no findings are raised on this area.

### KEY FINDINGS:

However we also identified the following areas where controls could be strengthened:

- Customer forums at sites do not operate as effectively as they should. This has been caused in-part by changes in Fusion staff resulting in meetings being cancelled, low attendance and minutes/agendas not being issued on a timely basis (Medium)
- Not all channels for where complaints can be made - i.e. on social media, via telephone or face-to-face - are recorded on Market Force and are not formally reported to the Council (Medium)
- Text message alert services and commitments to call back customers within 24 hours who have signed up to find out more about a service were demonstrated not to be working effectively as contact was not made following requests made (Medium)
- When reviewing each social media page and website for each location we found inconsistencies in customer information which were displayed on some sites and not others e.g. signposting to the App (Low)
- Via the Fusion App we identified outdated promotions being advertised which should have been removed (Low)
- From site visits undertaken with site managers we agreed on areas that require improvement i.e. limited number of lockers or some which are an inappropriate size at some sites and cluttered/unclean areas which need to be rectified (Low)
- When using the Fusion App and signing up for alerts we found the functionality to add unnecessary additional time in completing it due to pop-ups prohibiting certain preferences to be selected (Low)
- We raised a fake complaint to each site and for 1 site we found that the complaint was not acknowledged with a 'thank you' or an expression of being 'sorry for the experience you faced' which the other 4 complaints did (Low).

It should be noted that during the review we were alerted that the Council had raised concerns with Fusion over the participation data they report to the Council each month - this was also raised at the Council Scrutiny Committee. We were asked to review the source data which Fusion hold on their Gladstone MRM Plus 2 - leisure management software, which is where participation information is held. It is understood that this data creates extracts and then via manual adjustments where required, it is reported to the Council in monthly performance packs. To produce the participation data a series of assumptions are used by Fusion which is acceptable e.g. if a 5x5 football pitch is booked it is assumed this counts as

10 participants even if only 8 turn up. This methodology is standard industry practice.

We selected our sample and met with Fusion and concluded the data was accurate and complete for the items tested.

#### ADDED VALUE

We raised fake complaints, attended each site, and interviewed all customer representatives who represent each site, reviewed all social media platforms and tested the push-text functionality of Fusion systems. These allowed us to see the customer perspective.

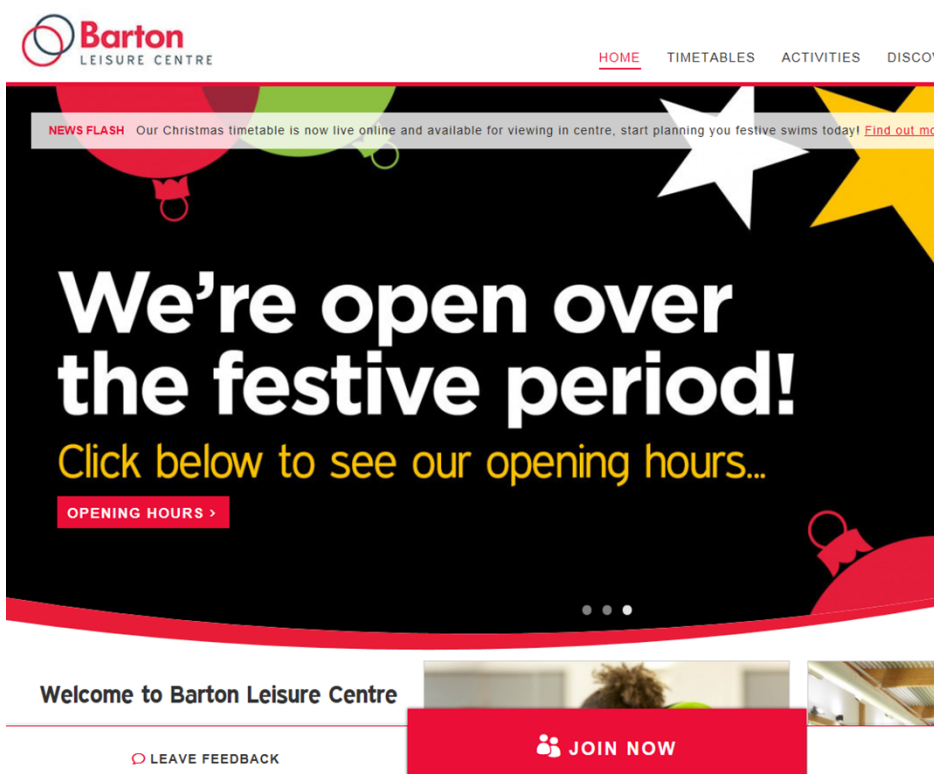
#### CONCLUSION:

Overall we have raised 3 medium and 5 low findings. This review was focussed on the customer perspective and our review found that Fusion have a moderately designed control environment in that there is a central complaints platform via Market Force, customer forum arrangements in each site and various platforms to promote and engage with customers across Apps and social media.

We have concluded the effectiveness of these controls is also moderate. There are areas for improvement with customer forums which are a key place where customers can express their views which have suffered low attendance, cancellations and the administration of the meetings (minutes/agendas) are not always effectively managed; it should be noted progress has been made after the report was issued identifying improvements in meet the manager sessions. There are also improvements required in that not all complaint forums including social media and telephone are identified and reported to the Council - however these will account for a small number of complaints but this could be better managed for completeness. However when we look at the overall picture monthly average survey scores improved from March 2016 at 75.6% to 86.4% in September 2018 which supports a moderate opinion.

## DETAILED FINDINGS

### RISK: ENGAGEMENT WITH CUSTOMERS TO EXTRACT MEANINGFUL INFORMATION TO DEVELOP AND DELIVER SERVICES IS INEFFECTIVE

Ref	Significance	Finding
L		<p><b>Fake complaints</b></p> <p>Customer complaints are formally recorded via each location's website. A customer clicks the 'leave feedback' button which is on the bottom left of every page and therefore is very visible and easily accessible. From here a new website window opens where a customer can raise their complaint. The feedback form is hosted by Market Force who filter the information to the relevant Fusion site managers.</p>  <p>The screenshot shows the Barton Leisure Centre website. At the top, there's a navigation bar with links: HOME, TIMETABLES, ACTIVITIES, DISCOV. Below this is a 'NEWS FLASH' banner about the Christmas timetable. The main content area features a large black banner with white text that says 'We're open over the festive period!' and 'Click below to see our opening hours...' with a red button labeled 'OPENING HOURS &gt;'. Below the banner, there's a 'Welcome to Barton Leisure Centre' section with a 'LEAVE FEEDBACK' link and a prominent red 'JOIN NOW' button.</p> <p>As part of the review we raised a 'fake' complaint for each of the sites with different types of complaints raised e.g. unhappy with increased charges, customer service or cancelled sessions. The aim of this test was to check whether the process worked i.e. complaints went to site managers and site managers provided responses. We also assessed the timeliness and adequacy of the responses.</p> <p>The testing showed that all five responses were received for all sites with four being within the 72 hour timeframe and the other responding in 120 hours (Leys Pools and Leisure Centre).</p> <p>The testing also showed an adequate response to each complaint by either rectifying the concern, giving evidenced based reasons to justify prices or sign posting on where further information can be found. We also assessed the tone of the responses judging if it made us feel as a customer, valued and responded to sympathetically. For four out of the five complaints, the response included a form of words effectively saying 'sorry' and thanking the customer for giving their feedback. It is widely accepted</p>



that when dealing with complaints saying sorry does not mean an acceptance of culpability but is a useful tool to help avoid any further animosity with the complainant; this is often done by saying sorry 'for the experience' the customer felt.

In one case (Leys Pool and Leisure Centre), no apology or similar words was used and no words were used to say thank you to the complainant for raising their concern. Therefore there is room to improve here by setting out these standards to all those who respond to customer complaints as the risk is that without following these standards, Fusion could unnecessarily cause further customer distress.

#### RECOMMENDATION:

- A. Fusion to communicate via email the outcome of this finding to all Site Managers setting out protocols on responding to complaints. This instruction should set out the requirements to say 'sorry' in responses or thanking complainants for their response in all responses to complaints. The Council should oversee that Fusion do this.

#### MANAGEMENT RESPONSE:

- A. Agreed. We will inform Fusion of this requirement and work with them around setting out the email to instruct Site Managers and all individuals who may respond to complaints

Responsible Officer: Lucy Cherry

Implementation Date: February 2019

**RISK: THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH**

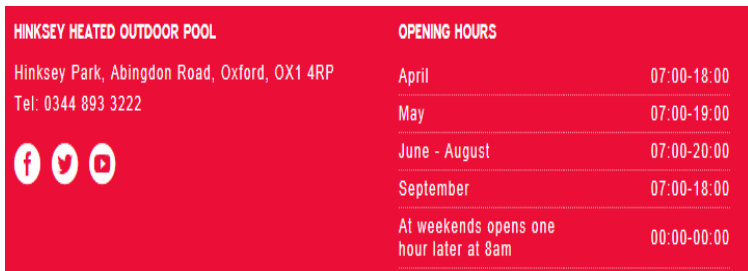









Ref	Significance	Finding
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L

### Website and social media (Facebook/Twitter) review

Each Fusion site has a website; these are often the platform customers first visit to inform them of the services offered to inform their customer journey. We reviewed each site as if we were a customer and found that overall the websites were professionally designed, well presented, accessible and easy to use. There were however, some areas for improvement to better enhance the customer digital experience:

Website	Areas for improvement																				
Barton Leisure Centre	<ul style="list-style-type: none"> <li>No mention of mobile app on site and social media</li> <li>Some links on Facebook pages are expired</li> <li>Sentences overlapping on Facebook page</li> <li>No booking tab on Facebook page</li> </ul>																				
Ferry Leisure Centre	<ul style="list-style-type: none"> <li>No mention of mobile app on site and social media</li> <li>Some links on Facebook page are expired</li> <li>No opening times or book button on Facebook page</li> <li>Local site activities page profile picture is of poor quality (blurred)</li> <li>No link to go back to home page on the Pay as You Go/ Sign Up for Membership page</li> </ul>																				
Hinksey Heated Outdoor Pool	<ul style="list-style-type: none"> <li>No mention of mobile app on site and social media</li> <li>Some links on Facebook page are expired</li> <li>No opening times on Facebook page</li> <li>No link to go back to home page on the Pay as You Go/ Sign Up for Membership page</li> <li>Weekend full opening hours unclear - see image below</li> </ul>  <p>The screenshot shows the website for Hinksey Heated Outdoor Pool. It includes the address 'Hinksey Park, Abingdon Road, Oxford, OX1 4RP', a telephone number 'Tel: 0344 893 3222', and social media icons for Facebook, Twitter, and YouTube. A table of opening hours is displayed, showing times for April, May, June-August, and September, as well as weekend hours starting at 8am.</p> <table border="1"> <thead> <tr> <th colspan="2">HINKSEY HEATED OUTDOOR POOL</th> </tr> </thead> <tbody> <tr> <td colspan="2">Hinksey Park, Abingdon Road, Oxford, OX1 4RP</td> </tr> <tr> <td colspan="2">Tel: 0344 893 3222</td> </tr> <tr> <td colspan="2">    </td> </tr> <tr> <th colspan="2">OPENING HOURS</th> </tr> <tr> <td>April</td> <td>07:00-18:00</td> </tr> <tr> <td>May</td> <td>07:00-19:00</td> </tr> <tr> <td>June - August</td> <td>07:00-20:00</td> </tr> <tr> <td>September</td> <td>07:00-18:00</td> </tr> <tr> <td>At weekends opens one hour later at 8am</td> <td>00:00-00:00</td> </tr> </tbody> </table>	HINKSEY HEATED OUTDOOR POOL		Hinksey Park, Abingdon Road, Oxford, OX1 4RP		Tel: 0344 893 3222		  		OPENING HOURS		April	07:00-18:00	May	07:00-19:00	June - August	07:00-20:00	September	07:00-18:00	At weekends opens one hour later at 8am	00:00-00:00
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Leys Pool and Leisure Centre	<ul style="list-style-type: none"> <li>No mention of mobile app on site and social media</li> <li>Facebook page link is expired</li> </ul>																				
Oxford Ice Rink	<ul style="list-style-type: none"> <li>No mention of mobile app on site and social media</li> <li>Membership option pages not working</li> <li>Some ice skating activity tickets have no call to action button</li> <li>Some links on Facebook &amp; Twitter pages are expired</li> <li>Sentences overlapping on Facebook page</li> <li>No opening hours on Facebook</li> </ul>																				

### RECOMMENDATION:

- Fusion to take each point from the table in this finding and correct the customer interfaces so that all sites have a consistent standard of customer information. The Council should oversee this implementation

**MANAGEMENT RESPONSE:**

- A. Agreed. A key communication tool is the Fusion App which launched in 2017 - a significant drive was made via posters, emails communicated to customers and briefing staff on encouraging the use of the App. All new members also receive a welcome message promoting the App. All social media pages have been updated with the default 'Use App' button which corrects one of the points raised by Internal Audit. Further addressing the points raised, we have added two tabs to Facebook pages which allows bookings to make and the second allows the App to be downloaded.

All opening times have been updated on the website and Facebook pages. We have also implemented changes to ensure any changes to opening times are fed back to the Digital Team to allow immediate changes. There is also a process now in place to review unique links that have expired and deleted from social media so we can ensure these are still correct/valid. All links from centre sites to book or sign up have been resolved.

This now resolves the items raised by Internal Audit and we have oversight processes in place to ensure these standards are sustained.

Responsible Officer: Lucy Cherry

Implementation Date: February 2019

**RISK: THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH**

Ref	Significance	Finding
	M	<p><u>Call backs</u></p> <p>As part of the review we signed up to alerts for the Oxford Ice Rink site. A text message was issued to us to promote a sale. We responded per the text instructions to confirm we would want to receive a call back to know more and possibly take up the offer - see image below.</p> <div data-bbox="697 604 839 645" data-label="Text"> <p>Text Message Fri 23 Nov, 08:02</p> </div> <div data-bbox="529 665 888 844" data-label="Text"> <p>FUSION: Black Friday offer! Join Oxford Ice Rink today &amp; get 3 months for the price of 2. Offer expires tonight! Reply YES for a call back or STOP to opt out</p> </div> <div data-bbox="697 878 839 902" data-label="Text"> <p>Fri 23 Nov, 09:14</p> </div> <div data-bbox="951 922 1005 952" data-label="Text"> <p>YES</p> </div> <p>After sending the message, we received no call or any further communication. From a customer perspective this could be very frustrating as they may not be contacted and this would impact their experience with Fusion. There is also a risk that Fusion does not make the most of their initiatives by following through text messages to secure more customers.</p> <p><u>Swim lesson call back</u></p> <p>Fusion run Swim Schools and you can sign up for a 24 hour call back to find out more about the service. We signed up for this on 20 December 2018 and did not receive any contact or call back except for the automated email.</p> <div data-bbox="504 1417 801 1442" data-label="Text"> <p>Reply Reply All Forward IM</p> </div> <div data-bbox="504 1444 727 1467" data-label="Text"> <p>Thu 20/12/2018 13:29</p> </div> <div data-bbox="504 1469 571 1509" data-label="Image"> </div> <div data-bbox="587 1469 967 1520" data-label="Text"> <p>Fusion Lifestyle &lt;noreply@fusion-lifestyle.com&gt; Swim School Call Back Request</p> </div> <div data-bbox="499 1525 644 1547" data-label="Text"> <p>To Gurpreet Dulay</p> </div> <div data-bbox="499 1550 761 1572" data-label="Text"> <p>Retention Policy 8 Year Delete (8 years)</p> </div> <div data-bbox="959 1550 1096 1572" data-label="Text"> <p>Expires 20/12/2026</p> </div> <div data-bbox="499 1572 1350 1617" data-label="Text"> <p>Click here to download pictures. To help protect your privacy, Outlook prevented automatic download of some pictures in this message.</p> </div> <p><u>Suggested Meetings</u></p> <p>Dear Gurpreet</p> <p>Thank you for registering your interest in our Swim School!</p> <p>A member of the team will be in contact with you within 24 hours to discuss your requirements and enrol your child on Swim School if appropriate.</p> <p>Thanks.</p> <p>The Fusion Lifestyle Team.</p>

**RECOMMENDATION:**

- A. Fusion to ensure they speak with their back office/central staff to identify how these communications are issued and how responses are managed to ensure only text messages and emails go out to individuals who will be followed up

**MANAGEMENT RESPONSE:**

Agreed. Fusion have enhanced systems to record all of our incoming sales enquires. Fusion have reviewed this feedback and their regional customer relations manager has been into centres and completed 3 hours of retraining with teams. Fusion are currently evaluating a plan to centralise all sales enquiries to a dedicated team at a central location to ensure a smoother customer journey.

Responsible Officer: Lucy Cherry

Implementation Date: March 2019

## THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH

Ref	Significance	
	M	<p><u>Customer Representative</u></p> <p>Each Fusion site has a customer representative's forum and an identified lead customer representative. As part of this review, we interviewed each site customer representative with semi-structured interviews covering their experience of how they are listened to, valued and whether their concerns are acted upon.</p> <p>From the interviews, we found that overall customer user group meetings or customer feedback surveys were in place and customers appreciated these initiatives. Customer forum meetings held were open and transparent and Fusion were willing to listen to customer feedback and were generally responsive. There were however need for improvements in the following administration of meetings, continuity of meetings, customer participation, Fusion responsiveness, social media management and communication. Specifically these discussions found:</p> <ul style="list-style-type: none"> <li>• Due to Fusion staff changes there were periods of time where sporadic customer user group meetings took place i.e. this was the case at the Ferry Leisure Centre where one meeting was held in six months</li> <li>• Leys Pool and Leisure Centre customer feedback surveys are not operating effectively as only one was undertaken in 2018</li> <li>• All sites should agree the meeting dates for the year at the out-set to better support attendance and forward planning as this is currently not in place</li> <li>• Minutes post meetings are not issued timely and should be distributed in an agreed timeframe to set expectations. Also in some occasions agendas for meetings were tabled on the same day as the meeting which is too late</li> <li>• There is also lower than ideal levels of confidence in whether all issues raised at meetings are being actioned and followed through and an action tracker should be used for all customer forum meetings</li> <li>• Customer forum attendees should be asked which format they want minutes for meetings attended issue in i.e. electronic or hard copy, and then this be followed</li> <li>• There is regular low attendance at some customer group meetings particularly at Barton Leisure Centre and Hinksey Heated Outdoor Pool). This impacts the quality and diversity of discussions which may mean the customer voice is not effectively heard. A suggestion was to set up a drop box for comments at these centres for more customer participation given the low attendance</li> </ul> <p>New customer user group members should receive an orientation as this currently does not happen which introduces them to the purpose of the meetings and what is expected. This may set out the differences in responsibilities of Fusion</p>

and the Council

#### RECOMMENDATION:

- A. Customer forums/panel meetings dates should be set out for the year ahead and all must take place at the date expected
- B. Feedback surveys from each group should take place at set frequencies which are agreed for the year in advance
- C. Protocols should be set out for when minutes of customer forum/panel meetings are issued post a meeting - this should be no longer than two weeks after any given meeting
- D. Customer forum/panel attendees should be emailed/written to by letter to ask what format they would like minutes in. This should then be logged and agreed protocols followed
- E. A customer forum/panel member orientation pack should be developed which sets out expectations and responsibilities of attendees and issued within 1 month of a new member joining
- F. Fusion should set an action plan for each site about how to achieve greater engagement with customer forum/panels and demonstrate improvement to the Council

#### MANAGEMENT RESPONSE:

- A. to F - As of January 2019 member forums (meet the manager) are in place across all Fusion sites. There is an annual calendar now published. They roll on a 3 month cycle of Wednesday night, Thursday morning and Saturday morning to ensure Fusion are making times available for all users. Minutes are taken and then distributed on the 'You said, we did' board. In advance of the meeting the central marketing team advertise meetings on social media and websites. Fusion are working on all items above.

Responsible Officer: Lucy Cherry

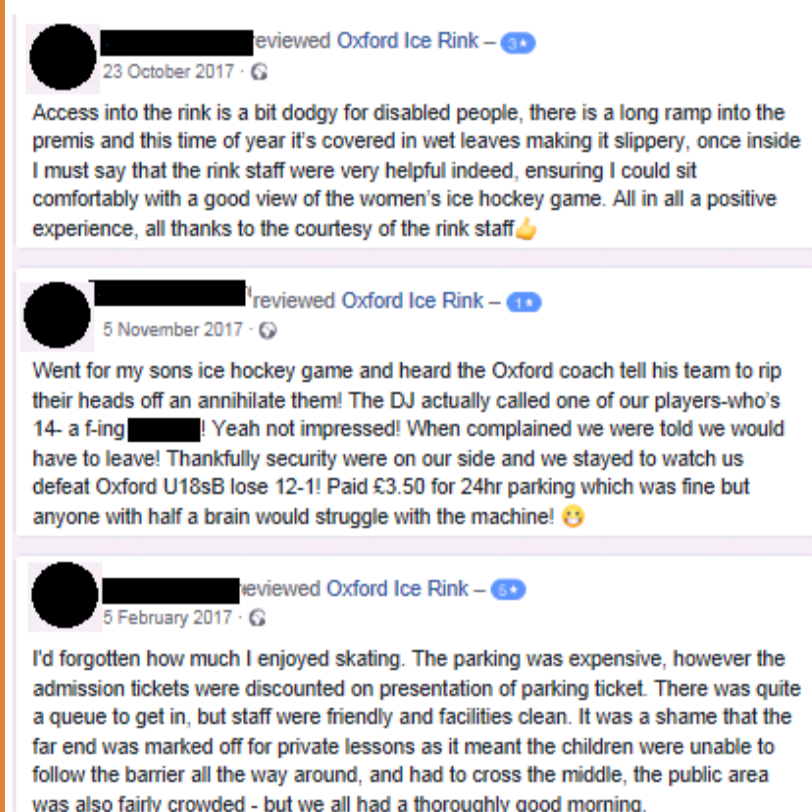
Implementation Date: March 2019

**RISK: THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH**

Ref	Significance	Finding
5	M	<u>Not all complaint channels are being recorded</u> Customers may raise concerns or complaints with their experience through the survey on the locations website, social media pages (Facebook or Twitter), verbally to staff or in writing. Currently

however, the only reported complaints from Fusion to the Council are those via the website. This does not report all of the customer issues effectively.

From review of the social media pages for each site, it is clear that customer concerns or complaints are not managed. We found that these pages do not effectively promote the raising of complaints on them or signposting to the formal complaint survey and more critically, responses to complaints are not consistently posted to the pages by Fusion. This means a customer who has expressed a concern or complaint is not engaged with which will further impact their experience.



From discussions with customer representatives and subsequent review of complaints it was found that face to face and telephone conversations resolved immediately were not recorded on Market Force too.

By not treating customer concerns or complaints via routes other than the respective site websites, with the same regard as those received on the respective site websites, customers concerns are not being dealt with effectively impacting their experience.



**RECOMMENDATION:**

- G. Fusion should identify all means by which customers can complain in addition to Market Force and analyse these sources and report them to the Council to ensure completeness in the data reported
- H. Fusion should invest in the social media platforms to either direct customer to the main complaint system or use these platforms more effectively as a complaint forum by advertising this as such

**MANAGEMENT RESPONSE:**

- A. Agreed. The website has been amended to provide information on and an opportunity to, easily make or escalate a complaint without involving the local management hierarchy. Information will also be displayed in foyers indicating that customer can complain or escalate direct via the website if they feel the need to do so
- B. Agreed. Fusion have sourced and are looking to implement a new system with one of our suppliers will convert social media feedback into the Fusion tracking system. This means all feedback will be recorded with daily alerts and case management to ensure Fusion are responding in good time.

Responsible Officer:

Lucy Cherry

Implementation Date:

June 2019

## RISK: THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH

Ref	Significance	Finding
6	L	<p><u>Outdated promotion</u></p> <p>We downloaded the Fusion App and assessed the customer friendliness of this platform. The App provides contact numbers, the ability to provide feedback/complain, centre information on latest events/promotions and the ability to book sessions.</p> <p>From this review we found:</p> <ul style="list-style-type: none"> <li>There is an outdated promotions on the App. The below screenshot was taken on 20 December 2018. This promotes a 12 month for 10 month membership offer which expired on 30 November 2018.</li> </ul> <p><b>12 FOR 10 ANNUAL MEMBERSHIP OFFER</b></p> <hr/> <p>All T&amp;C's are on the website:</p> <ul style="list-style-type: none"> <li>Our normal membership T&amp;C's apply.</li> <li>Offer only on Annual Memberships</li> <li>Offer ends 30th November 2018</li> </ul>

### RECOMMENDATION:

Fusion should review all promotions on all platforms and remove any which are outdated. Fusion should also ensure their arrangements to ensure future promotions are taken down on a timely basis are sound - these arrangements should be reported to the satisfaction of the Leisure and Performance Manager

### MANAGEMENT RESPONSE:

- A. Agreed. Fusion have now changed their internal process to review their terms and conditions on the website and App on a weekly basis. All terms are now held on a central page for easy viewing to avoid this in future.

Responsible Officer: Lucy Cherry

Implementation Date: April 2019

**RISK: THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH**

Ref	Significance	Finding
7	L	<p><u>Site visits</u></p> <p>We visited each site and were shown around by the site manager. We did not follow a set check list in this part of the review but took in observations from a customers perspective and discussed these with site managers. The areas where there was agreement in our collective observations and require improvement were:</p> <ul style="list-style-type: none"> <li>• Hinksey Outdoor Heated Pool - First Aid Room not clean enough and cluttered</li> <li>• Hinksey Outdoor Heated Pool - No lockers for customers to keep their belongings</li> <li>• Leys Pools and Leisure Centre - Café offer is limited</li> <li>• Oxford Ice Rink - There were not many lockers and those in place are small.</li> </ul> <p>These are all subjective judgements but have been agreed in discussion with site managers. These observations should be taken to relevant customer panels for discussion to see what actions can be taken to improve them.</p>

**RECOMMENDATION:**

The observations from site visits should be taken to customer forums for discussion and then acted upon by Fusion to ensure where possible agreed action is taken

**MANAGEMENT RESPONSE:**

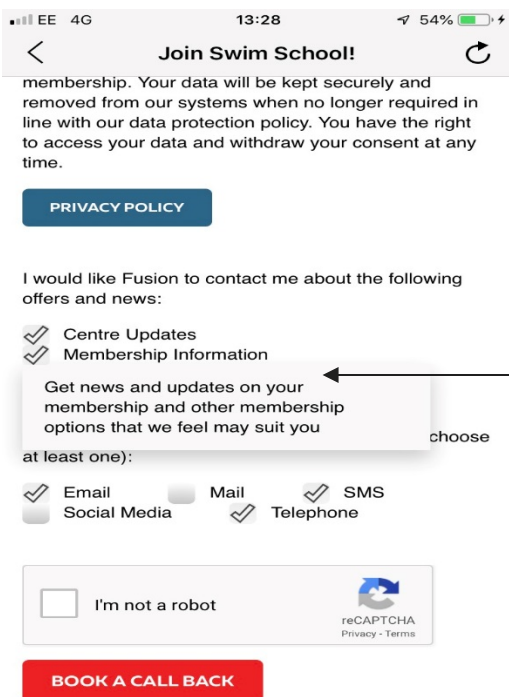
Agreed. Locker repairs have been completed and this is an on-going operational task for Fusion..

Responsible Officer: Lucy Cherry

April 2019

Implementation Date:

RISK: THERE ARE NOT SUFFICIENT ARRANGEMENTS TO ENGAGE WITH CUSTOMERS BASED ON HOW THEY WANT TO BE INTERACTED WITH

Ref	Significance	Finding
8	L	<p><u>App functionality</u></p> <p>We downloaded the Fusion App and completed a form to sign up for alerts and updates about a particular site. We found that when completing the form it is difficult to select all preferences easily because each time you click an option it provides more information about what the preference is about. Whilst this is very helpful it does mean that you have to click around the App as the pop-up box covers preferences you may wish to select which significantly slows down the process of completing what is a simple form.</p>  <p>Pop-up box cover preference options</p>

#### RECOMMENDATION:

Fusion should review the functionality of their App to see how it can be more user friendly around pop up information when selecting preferences.

#### MANAGEMENT RESPONSE:

Responsible Officer:

Lucy Cherry

Agreed. This has been raised with Fusion's developed to remove these pop-ups. This is expected to be completed by the end of February 2019.

Implementation March 2019  
Date:

## STAFF INTERVIEWED

BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

Name	Job Title
Ian Brooke	Head of Service
Lucy Cherry	Leisure and Performance Manager
Various	Customer Representatives
Mark Munday	Fusion
Various	Site Managers Fusion

## APPENDIX I - DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

## RECOMMENDATION SIGNIFICANCE

High	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.



## APPENDIX II - TERMS OF REFERENCE

### PURPOSE OF REVIEW:

To review the control design and effectiveness with regards to the Council's oversight of /and Fusion Customer Service processes

### APPROACH:

Our approach will be to conduct interviews to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks.

We will seek to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control, which will involve sample testing to ensure compliance with the approved methodology and monitoring and reporting processes.

### KEY RISKS:

- The provider has inadequate arrangements to identify the customer backgrounds and habits who use the services offered
- Customer information held is not adequately analysed to develop and deliver services
- There are not sufficient arrangements to engage with customers based on how they want to be interacted with
- Engagement with customers to extract meaningful information to develop and deliver services is ineffective
- Customer information on backgrounds and habits is inadequately reported to the Council
- Either the Council supply inadequate scrutiny and/or the provider provide inadequate information to assess the suppliers resilience to continue deliver services to deliver expectations
- Inadequate progress made on prior year recommendations.

**FOR MORE INFORMATION:**

**Greg Rubins**

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The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

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