

EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE –
23 MAY 2017

REPORT BY HEAD OF OPERATIONS

ANNUAL LEISURE CONTRACT PERFORMANCE REPORT FOR 2016

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To present the eighth annual review of the council's ten year leisure contract with Sport and Leisure Management Ltd (SLM) – trading as Everyone Active.

<u>RECOMMENDATIONS FOR PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY: That</u>	
(A)	The Annual Report be received; and
(B)	The views of the PAG Scrutiny Committee be noted.

1.0 Background

1.1 On 1 January 2009, following a competitive tender process, the council entered in to a ten year leisure management contract with the leisure provider SLM, trading as Everyone Active.

1.2 This eighth annual review covers two main elements:

- a) Performance in relation to the specification of the contract.
- b) Qualitative successes and improvements.

2.0 Report

2.1 Performance review information is detailed in **Essential Reference Paper 'B'** and sets out SLM's performance against the main elements of the contract. The section below looks at a summary of areas regarding the performance of the contract in greater detail; customer throughput, customer satisfaction, financial performance, public satisfaction, health and safety management, added social value and investments.

Performance

2.2 Customer Throughput

2.2.1 The Council has a long history of encouraging and improving opportunities for individuals to engage in sports and physical activity through the provision of its sports and recreational facilities. Encouraging people to be active through swimming, gym activities and the opportunity to use its outdoor facilities all of which can help individuals to have the opportunity to live a healthier and active lifestyle is underpinned by the Council's commitment to Health and Wellbeing.

2.2.2 A key measure for the Council to assess the performance of the contractor in providing leisure services promoting health and well-being is the number of customers using the five facilities.

2.2.3 Across the leisure centres there were a total 1,007,800 recorded visits in 2016 compared to 999,800 in 2015, this includes:

- casual swimming
- the gym
- group exercise classes
- pool parties
- private swim lessons
- Everyone Active swim lessons
- school lessons
- crèche usage
- payment visits
- outdoor activities including;
- tennis
- bowls
- football

This figure does not include swim spectators or football spectators. The increasing footfall does have a significant impact on the infrastructure of all the facilities.

2.2.4 In East Herts casual 'pay and play' swim throughput statistics are broken down by age group:

- Under 16 age group swims 47,014 visits.

- 16 – 60 age group swim 87,821 visits.
- 60+ age group swim 23,664 visits.

The number of these recorded swim visits totalled 158,499 in 2016 compared to 164,497 visits in 2015.

2.2.5 Interventions to address previous drops in the 60+ age and the 16 – 59 year old age group had limited success in 2016, but did help to increase the 60 + age group swim visits.

2.2.6 Overall there has been a 4% decline in pool attendances across the sites compared to 2015 but this is less than the reported 6% reduction in the National decline in swimming. Swimming is still consistently ranked by adults as one of the most popular forms of regular physical activity. However, officers and SLM are continuing to look at options to address this drop in visits in all age groups by:

- Increasing the opportunity of more public swim time.
- Continually working on promoting the centres and service through social media advertising and community outreach activities.
- Freezing of all casual swim sessions price for 2017/18, along with offering all participants on the Everyone Active swim scheme free swimming during the summer holiday period.
- Continued investment in the facilities where appropriate.

2.2.7 Overall swim visits for 2016 were 158,499, this amount of visits is significantly greater than the baseline contractual target figure set at the beginning of the contract in 2009, which was 135,320 visits + 1% increase per year, a target of 146,532 for 2016.

2.2.8 Gym throughput statistics are broken down by age group and activity:

- 16 – 60 year old age group recorded 151,710 gym visits.
- 60+ age group recorded 21,196 gym visits.
- 11 – 15 year old age group 10,412 gym visits.
- Group Exercise, studio based exercise, was attended by 114,346 visitors.

The total number of visits to the gym and classes totalled 297,664 in 2016 compared to 277,451 visits in 2015.

2.2.9 In 2016 there were a total of 43,885 recorded visits from the 60+ age group attending; casual 'pay as you go' swims and gym sessions compared to 41,875 in 2015. To cater for and further improve attendance for the 60+ age group work is ongoing to:

- Expanding the Forever Fit exercise group sessions at Hartham
- Delivering Forever Active swim lessons, in conjunction with East Herts Council.
- Further develop the 'Active 4 Life' exercise referral classes at both Hartham and Grange Paddocks gyms.
- Maintaining the 'Healthy Herts' Cardiac Rehab Phase IV Referral classes
- Introducing the 'Get Up and Try' adult swim sessions for new swimmers.

2.2.10 Everyone Active annual and direct debit Memberships averaged 6,464 members a month compared to 6,492 a month in 2015; this constantly healthy level of both DD and Annual membership across the contract over 2016 shows the strength of the contract in delivering high quality gyms with regards to both equipment and staff.

2.2.11 In addition to formal set monitoring arrangements, the Council's Leisure Services Manager undertakes a mixture of monthly unannounced and announced inspections recording; service delivery, marketing, Health and Safety and monitoring procedure standards. These inspections have shown an acceptable level of performance in the quality of the leisure service delivered across the four areas inspected.

2.3 **Customer Satisfaction**

2.3.2 The five sites carry out biannual Customer Satisfaction Exit surveys. The collection method initially employed face to face interviews with a cross section of facility users. In a change to the normal process the September/October 2016 survey was carried out using the online survey service of Atreemo's Single Customer View system to collate the feedback for the survey rather than a paper based system at sites. The accumulated data is automatically collated as is the analysis of the data. Trends are now becoming apparent after four data gathering periods. Information from the surveys is used to help develop the management and performance of the centre and incorporated into the Centres Business Plan and acted upon appropriately.

2.3.3 Results indicate that overall customer satisfaction at all pools range from good to excellent, more detailed results are shown on Essential Reference Paper 'C' 'Customer Exit Survey summary' and full results can be made available for inspection if required.

2.3.4 These digital surveys and emails were supported by use of tablets in the centre asking customers views on their experience after using the

centre. At the larger sites 30% of total responses came from the email links and at the dual use sites this reduced to 5%.

- 2.3.5 Data collected had the ability to breakdown age and gender for individual sites as well as across the contract, for example we are able to see that in the 60+ age group across the contract 56% of respondents were female, 38% male, 6% questioned declined to answer.
- 2.3.6 The overall score is Good, with a slight 2% drop from 2015 to 2016 customer experience at all pools, essentially the change to the feedback mechanisms being electronic provided much more insightful feedback for analysis.
- 2.3.7 From a cleanliness perspective the scores from the surveys in 2015 and 2016 have remained static, 77%, but in response to improve the cleanliness of the buildings contract cleaners were employed to complete end of day cleaning, focusing on improving the customer experience in the changing areas.
- 2.3.8 Most noticeably the overall performance of Fanshawe following the 2015 action plan has seen a marked increase in customer satisfaction with 2015 overall satisfaction score being 65% this has grown to 80% with marked improvement in cleanliness growing from 57% in 2015 to 84% in 2016.
- 2.3.9 Although the Grange Paddocks Leisure Centre is showing a 'Good' overall result in the Survey in the Swimming – overall experience drops to a 'Fair' banding.
- 2.3.10 Also gathered was qualitative responses, customers were asked; "If you could think of one thing that would help us to improve the facility what would that be?"
- 2.3.11 From the qualitative feedback section of the survey information gathered it is possible to gain a better understanding of the concerns and areas of potential improvements that can be acted upon in both the short term and the long term.
- 2.3.12 Fanshawe comments include; renovation of the building, a studio for classes – even though the school has one, but not for community use, and more car parking spaces.
- 2.3.13 Grange Paddocks comments include: inadequate size of the changing rooms and showers, dry side changing rooms, family changing rooms,

lack of studio space and available lesson time, bigger gym, better reception area, expand crèche availability, upgrade pool, more car parking in football season, and cleanliness.

2.3.14 Hartham comments include: inadequate size of the changing rooms and better showers, update gym kit and increase size of gym, lack of studio space and available lesson time, more free car parking time, better lockers and cleanliness.

2.3.15 Leventhorpe comments include: Disabled changing facility on poolside, better showers, increase size of gym, new gym equipment, decoration, improve car park, spectators area, bigger changing facilities, daytime classes, better lockers and cleanliness.

2.3.16 Ward Freman comments include: total refurbishment, build a gym, upgrade changing facilities, better showers and replace lockers,.

2.3.17 In response to the previous survey results from 2015 and client concerns SLM commenced a programme of works working with the council to improve the site. These have included:

- relining small pool tank, which was completed in December 2016
- review of Group Exercise classes and timetabling
- Introduction of a more comprehensive training regime for colleagues to drive spot cleaning and improve consistency in standards.
- Review of poolside cleaning, standard and training for the teams
- Regular deep cleaning of the poolside areas with more effective cleaning products.
- Introduction of service agreement for locker repairs in the changing areas.

2.3.18 Officers believe there is scope for further improvement and continue to work with SLM on maintaining satisfaction levels at all sites.

2.4 Financial Performance

2.4.2 Performance Indicator EHPI2 'Net cost of the Leisure Service per user' is the primary cost indicator for the service and reflects the total cost to the council of running leisure centres (including on-costs).

2.4.3 The estimated 'Net cost of the Leisure Service per user' has been calculated as; £0.75/visit in 2016, compared with £0.99/visit in 2015.

2.4.4 In 2016 the Leisure Management Fee to SLM was £246,841, which included an ongoing £44,976 annual reduction due to previous 'invest to save' capital investments, i.e. 3G pitch conversion at Hartham, installation of Pool Covers and purchase of Gym Equipment for JUP facilities, initiated by Officers to drive down the cost of the service delivery.

Qualitative successes and improvements

2.5 Public Satisfaction

2.5.2 Officers working with SLM developed a non-user survey via Community Street and School Research which was to help both the council and SLM to focus on barriers to participation. The survey was carried out by Leisure-Net Solutions Ltd in May 2016

2.5.3 This research was designed to investigate attitudes and behaviour around usage of the Everyone Active managed facilities and to find out what the respondents think about the facilities and performance provided by Everyone Active in East Herts.

2.5.4 Research covered an 899 person sample street survey and 83 person sample.

2.5.5 The survey showed that 70% of the sample state that physical activity is 'very important' to them with a further 26% stating it is 'important' to them.

2.5.6 In summary the survey showed that for this group of non-users of the Councils facilities the main barriers to physical activity were; availability of time; personal motivation/goals and accessibility and good quality facilities. 58% of respondents indicated that they would like to do more physical activity and they would consider using East Herts Council facilities, what would encourage them the most would be; lower costs; programming and improved facilities.

2.6 Health and Safety

2.6.2 With over 1 million all user visits there were 166 reportable accidents in 2016; an annual accident rate of 2.33 per 10,000 visits compared to 2.16 per 10,000.00 visits in 2015. This represents a consistently high level of commitment to an already good record towards Health and Safety. Generally across the contract the accident per 10,000 visits has been lower than SLM corporate objectives.

2.6.3 All pools are tested by East Herts Council's Environmental Health Team on a quarterly basis as well as independently tested by Kingfisher Environmental Services Ltd monthly for Pseudomonas, E-Coli and Coliforms.

2.7 **Added Social Value**

2.7.2 Throughout the year SLM were involved in working with Charity partners, the community and charity events such as:

- Anthony Nolan a variety of fundraising, awareness and testing days.
- Juvenile Diabetes Research Foundation Ltd (JDRF), the type 1 diabetes charity, supporting World Diabetes day with Bake Off's, football competitions and colleague activities such as sponsored 120km bike rides and .
- Great British Swimathon.
- Everyone Active open days offering
- Free swimming
- Free gym sessions
- Bouncy castle
- Face painting
- Colouring competitions
- Golden ticket hunts to win annual memberships.
- Aspire Swim Chanel Challenge.
- EHC's Love Parks Week offering fun activities outside.
- National Fitness Day on 7 September.
- Grange Paddocks Leisure Centre hosted Sainsbury's Sport Relief Mile, which included a 1, 3 and 6 mile challenge.
- Celebrated Women's Sport Week in October with free activities for women of all ages and abilities.
- Involvement in Green Travel event organised by Sawbridgeworth Town Council.
- Engaged with Hertford Town Council with the Christmas lights switch on event.

2.7.3 Developed with the Herts Sport Partnership, as part of the Sport England's 'This Girl Can' campaign, a series of women and girls only sessions, including free swims, free aqua aerobic sessions and gym sessions as well as 'This Girl Can Lift' and Hula Hoop classes.

2.7.4 Involved in the Public Health England 'One You' campaign with a 'Drop a Jean Size' challenges.

- 2.7.5 Working with Grove Cottage, Everyone Active hosted the annual Santa Dash and Reindeer Run with over 100 people running dressed up as Santa.
- 2.7.6 SLM continues to link with corporate business in East Herts with “Know your Numbers” events at Herts County Council, East Herts Council, GSK and other local businesses, focussing on recording statistics and recording activity levels.
- 2.7.7 SLM continues to work in partnership with the ‘Aspire’ charity, whose work includes conducting outreach in the community to encourage disabled people to be active within the Hartham Leisure Centre. One of SLM’s Fitness Trainers won the coveted Disabled Sports Coach of the Year award at the December Herts Services to Sports Awards event.
- 2.7.8 SLM work with EHC Officers to further develop the Forever Active East Herts ‘learn to swim’ scheme, 84 participants attended 552 times in 2016.
- 2.7.9 Both Grange Paddocks and Hartham Leisure centres offer:
- free swimming sessions to people with disabilities and their carers’ as part of an initiative to ensure everyone has equal access to swimming
 - a site for the delivery of externally managed Pulmonary Rehabilitation classes in partnership with the council and the Primary Care Trust.
- 2.7.10 Corporately SLM launched their Sporting Champions project in October where in a bid to support and develop the next set of Olympic hopefuls at Tokyo 2020, they have created a 3 tiered sponsorship for talented athletes. These tiers being Gold, Silver and Bronze, at the Gold and Silver level Everyone Active are supporting Athlete’s like gymnast Max Whitlock, whilst at the Bronze they are supporting several East Herts Athletes with free access to the centres.
- 2.7.11 Working with the East Herts Community Safety Partnership (CSP), free swim vouchers were offered to young people and families during the summer holidays. The vouchers were given to those on a discretionary basis and for a number of different reasons; such as those who are working with an agency in the CSP, a positive contribution to a community project or an identified disadvantage.
- 2.7.12 SLM play an active role in the Active East Herts Community Sport

Network supporting the development of this community group and raising its profile to the sporting community.

- 2.7.13 SLM hold Customer Forums at sites where customer representatives meet with the Managers to feedback on the centres performance, these include Football Forums, Group Exercise Forums and Full Customer Forums.
- 2.7.14 In 2016 SLM won the UK Active Flame Awards – Leisure Operator of the Year. The Flame awards represent the final stage in the rigorous assessment process, whereby entrants must prove that the work they do is shaping the future of physical activity in the UK.
- 2.7.15 In 2016 SLM was awarded the Amateur Swimming Association (ASA) Facility Operator of the Year. This award recognises facility operators who have demonstrated continued commitment to improving their aquatic programmes over the past 12 months. The contract caters for around 190,000 swim lesson, adults and children, visits per year on a continual rolling programme.
- 2.7.16 As a group SLM have achieved QUEST Accreditation for Swimming Lessons. This is part of SLMs ongoing commitment with their ASA partnership. Supports the delivery of the national benchmarking standard and this is reassessed every two years.
- 2.7.17 As a group SLM achieved the ISO 14001 standard. ISO 14001 sets out the criteria for an Environmental Management System (EMS). It does not state requirements for environmental performance, but maps out a framework that a company or organization can follow to set up an effective EMS.

2.8 **Investments**

- 2.8.2 Due to the age and nature of the Councils leisure facilities there is in place an on-going maintenance programme that requires planned preventative maintenance as well as a Capital Investment programme. This programme of works helps improve and enhance the facilities.
- 2.8.3 In 2016 Councils Property team working with Leisure Services invested £250,000 in the on-going maintenance and enhancement of the leisure facilities. Works included:
- Installation of Plate Heat Exchangers at Grange Paddocks to replace old pool Calorifiers and increase the efficiency of heating the swimming pool.

- Relining of the small learner pool at Grange Paddocks to maintain the integrity of the pool and improve the swim experience for residents and their children.
- Various building fabric enhancements at both Hartham and Grange Paddocks leisure centres; renewing flat roof coverings and the lagging of external duct work.
- Commenced refurbishment of the Hartham Pavilion which includes the relocation of the public toilets to the pavilion area.

2.8.4 SLM continue to invest within the facilities, throughout 2016 they have invested in:

- Recruitment of Contract Maintenance Manager - to assist and improve the management of maintenance and Planned Preventative Maintenance across the contract.
- Recruitment of contract cleaners to support the improvements in the customer experience.
- New pool inflatables at Hartham and Ward Freman pools to drive participation in parties and public Fun Swim sessions.

2.8.5 Working with the council, SLM has worked to reduce energy consumption across all sites and therefore reduce operating costs. CO₂ reductions from these investment will contribute to achieving the Councils carbon reduction targets, these investments include:

- A more efficient curtain heater in the Hartham Leisure Centre reception area, significantly improving the reception area temperature for users.
- installation of non-half hourly meters for energy management monitoring across all sites.
- New lighting installed into Grange Paddocks Changing rooms and LED lighting in the Hartham admin office and back of house area, as part of the SLM 'reuse, reduce, recycle and replace' environmental action plan where any lights that are replaceable will be replaced with lower energy units.

2.8.6 At Hartham Leisure Centre the investment in the new pool air handling unit in 2015 has seen the 'Energy Performance Operational Rating' of the centre improve to a C banding (55 units) from the previous D band (81 units) attained in 2015, this is a measure of how efficiently energy has been used in the building. Total CO₂ emissions have also dropped to around 450 tonnes/year from around 700 tonnes in 2015. This information is measured and displayed on a Display Energy Certificate (DEC). The DEC is an operational energy rating that identifies the

actual energy use of a building and compares this against the energy use for a benchmark building of the same type. Any public building over 500 m² occupied in whole or part by public authorities or by institutions providing public services which are frequently visited by the public should have a DEC produced for the building.

- 2.8.7 At Grange Paddocks Leisure Centre the 'Energy Performance Operational Rating' has maintained its D band (96 units), which is just above the typical banding for a facility of this nature. Total CO₂ emissions are consistent with previous years and are just under 480 tonnes/year.
- 2.8.8 At Fanshawe Pool and Gym the 'Energy Performance Operational Rating' was measured as a D banding (92 units), which is above the typical banding for a facility of this nature. Total CO₂ emissions were around 270 tonnes/year.
- 2.8.9 At Leventhorpe the 'Energy Performance Operational Rating' was measured as a B banding (43 units), which is above the typical banding for a facility of this nature. Total CO₂ emissions were around 120 tonnes/year.
- 2.8.10 For buildings over 500 m² but less than 1000 m² the DEC is valid for 10 years. Ward Freman Pool fits into this category, the 'Energy Performance Operational Rating' here was measured as a D banding (100 units), which is around the typical banding for a facility of this nature. Total CO₂ emissions were around 270 tonnes/year.

3.0 **Implications/Consultations**

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None.

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