

**Report to
Leisure and Community Policy
Development and Review Panel**

Date: **6 March 2013**

Report of: **Director of Community**

Subject: **LEISURE CENTRE PERFORMANCE REVIEW**

SUMMARY

This report provides a summary of the contract performance monitoring of Fareham Leisure Centre which is operated by Strategic Leisure Management Ltd (SLM) on behalf of the Council. The report also provides an update on the continuous improvement plan, a summary of attendance figures and details of the income and expenditure incurred by the Council arising from the Leisure Centre management contract.

RECOMMENDATION

That the Panel notes the information contained in the report.

INTRODUCTION

1. On 1 May 2005, Fareham Leisure Centre transferred to trust status with Strategic Leisure Management Limited (SLM) taking on the management and operation of the centre. SLM have a full repairing lease with responsibility for internal and external repairs. A ten year lease for the tennis courts in Park Lane recreation ground and for the car park adjacent to the Leisure Centre run parallel to the Leisure Centre lease and management contract.
2. The style of partnership between the Council and SLM allows the operator to develop and improve the service with considerable freedom. To ensure that while there is freedom, the needs and expectations of the community and strategic vision of the Council is met, the Council has taken on a monitoring role including a continuous improvement plan for the centre.
3. This report provides information on the following:-
 - (a) The outcome of the contract monitoring since March 2012, i.e. since last reported to the Panel;
 - (b) The continuous improvement plan;
 - (c) Details of the income and expenditure for the Leisure Centre for the financial year 2012-2013; and
 - (d) A brief summary of attendances during the current year of the contract.

CONTRACT MONITORING

4. Since March 2012, three monitoring visits have been undertaken together with a health and safety inspection. No areas of concern were raised, and the annual inspection revealed that the premises were being effectively managed with no concerns in relation to any of the key risk areas, i.e. the management of asbestos containing materials, fire safety, the management of the Legionella risk, gas safety and the electrical installation.

CONTINUOUS IMPROVEMENT PLAN

5. SLM continue to update and implement the actions in the continuous improvement plan, a copy of which is attached as Appendix A. The following key actions and accreditations have been achieved:-
 - (a) The Leisure Centre currently stands as the only leisure centre in the country accredited as “Outstanding”, under the well recognised national industry quality service standard organisation QUEST.
 - (b) The Leisure Centre was recognised in Jun 2012 by the Fitness Industry Association (FIA) as a finalist (2nd place) in FLAME from over 210 facilities that entered.
 - (c) £265,000 has been invested to provide improved gym facilities and a group cycling studio in 2012.

INCOME AND EXPENDITURE

6. The Council has retained a residual revenue budget for 2012/13 of £104,100 This can be broken down as follows:-

Expenditure	Amount	Comment
Employees Related Expenditure	£19,300	This covers the recharge of those employee costs related to staff in the Department of Community & Streetscene who provide the client role in relation to the Leisure Centre.
National Non Domestic Rates	£23,800	The Council are required to pay the NNDR under the terms of the Management Agreement.
Premises Insurance	£6,400	The Council are required to pay the buildings insurance under the terms of the buildings lease.
Repairs and Maintenance	£14,500	Minor responsive maintenance has been carried out to the car park. It is proposed to carry this funding forward to 2013 / 14 to allow a project to increase car parking capacity by improving the existing layout rather than extending the car park onto public open space.

7. In accordance with the terms of the contract, in 2012-13 the Council will receive income from the Leisure Centre of £118,200

ATTENDANCES

8. SLM have changed their method of recording attendances preventing a direct comparison with attendances prior to the transfer to trust status. The Centre now average 61,000 visitors per month with 60% of these being for the fitness suite, exercise classes and courses with the balance being for swimming. This 5,000 per month more than in 2011/12.
9. Currently 886 Leisure Cards have been issued. These are broken down into:-
- Low income 89
 - Student 4
 - Single 450
 - FBC 20
 - Family 112
10. In March 2012, 886 Leisure Cards were in circulation.

11. A new Leisure Card brochure is in preparation but take up of this scheme is falling largely due to the value the Leisure Centre offers via its pay-as-you-go fees and membership arrangements.

RISK ASSESSMENT

12. There are no significant risks arising from the management of the Leisure Centre over the last 12 months.

CONCLUSION

13. This report updates the Leisure and Community Policy Development and Review Panel on the results of the contract monitoring at Fareham Leisure Centre, on the continuous improvement plan and the income and expenditure by the Council in relation to the Leisure Centre during the current financial year.
14. The overall conclusion is that the Leisure Centre continues to be effectively managed, that significant improvements have been made and that the centre continues to provide an excellent service to the community.

APPENDIX A - Continuous Improvement Plan

Background Papers: None

Reference Papers: None

Enquiries:

For further information on this report please contact Gareth Satherley, Leisure Development Manager (Ext 4476).

APPENDIX A

Fareham Leisure Centre Continuous Improvement Plan

	Achievements to report
<p>QUEST</p> <p>Quest is the UK Quality Scheme for Sport and Leisure</p> <p>FLAME 2012</p> <p>The Flame Awards are prestigious sector awards that recognise excellence and best practice.</p>	<p>The Leisure Centre currently stands as the only leisure centre in the country accredited as “Outstanding”, under the well recognised national industry quality service standard organisation QUEST.</p> <p>The Leisure Centre was recognised in June 2012 by the Fitness Industry Association (FIA) as a finalist (2nd place) in FLAME from over 210 facilities that entered.</p> <p>Fareham received the National Fitness Awards ‘Fitness Team of the Year 2012’ a well contested award within the industry.</p>
<p>GP Referral Scheme</p> <p>Inclusive Fitness Initiatives (IFI)</p>	<p>The Leisure Centre has developed a long standing partnership with the Primary Care Trust to provide a GP Referral Scheme. Most recently the scheme has achieved the full accreditation at “Silver” standard which there are very few within the country who have achieved this.</p> <p>The Centre remains the highest achieving site within the SLM Group for Health and Safety and has achieved a 100% throughout 2012.</p> <p>The leisure centre has achieved IFI accreditation</p>
<p>Facility Developments & Programme (including Olympics outreach)</p> <p>Olympics outreach</p>	<p>In January 2012 SLM invested heavily (£210,000) and introduced a Group Cycling Studio by converting a squash court using a mezzanine floor. The gym area was also expanded and major investment into equipment within those areas (£55,000).</p> <p>FBC officers and Everyone Active colleagues developed and delivered a summer programme of Olympic sports that was taken to all participating Schools. This was a huge success and every child received an Olympic certificate of achievement and an ‘Activity Voucher’ to a value of £10 redeemable against FLC activities.</p> <p>Olympic Open Day – was over 1200 visitors to FLC on the torch day. Activities included a climbing tower,</p>

<p>Everyone Active School of Dance</p>	<p>kiddie-karts (indoor carts for under eights) and Peper Pig.</p> <p>In 2012 the EA School of Dance surpassed 200 students in the school. The school is now in its second successful year and celebrated its 2nd annual dance show at Ferneham Hall in November with a sold out audience of over 700 parents and families.</p>
<p>Training and colleague development</p>	<p>The Leisure Centre has launched the Governments national Apprentice scheme and has successfully trained nine apprentices and have, to date, fully employed three within the year term.</p> <p>Twenty two colleagues are currently working towards NVQ's in their specialised areas. The highest with the SLM group.</p>
<p>IT and Online Developments</p>	<p>Everyone Active online launched Sept 2012 offering customer at home activities and programmes.</p> <p>Launch of a new payroll system (Rota Horizon)</p>
<p>Charity & Sponsorship Work</p>	<p>The Leisure Centre has raised in excess of £10,000 in 2012</p> <ol style="list-style-type: none"> 1. Breast cancer awareness raised £1,217 2. National Swimathon - £4,883 3. Disabled Children in Sport - £1,862 4. Breast Cancer Care - £1,934 5. Prostate Cancer - £140 <p>Fareham LC sponsored the under eights Portchester football team and purchased their kit.</p> <p>Various schools and organisations have been supported in their fund raising activities throughout the year.</p>
<p>Leisure Card</p>	<p>The Leisure Card continues to offer discounts to residence within the borough with a variety of Fareham Businesses.</p> <p>Usage continues to decrease but it is felt this is due to the increasingly good value for other membership options available.</p>
<p>Development of Environmental Awareness</p>	<p>The centre has recently implemented a number of items from the Energy Reduction Plan including; LED lighting throughout reception, corridors and changing areas.</p>