

SUBJECT:	<i>Chiltern Leisure Advisory Report – Leisure Contract Performance 2015</i>
REPORT OF:	<i>Councillor Graham Harris – Cabinet Member for Community, Health & Housing</i>
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WARD/S AFFECTED	<i>All</i>

1. Purpose of Report

RECOMMENDATION

That Members comment on the current performance of the leisure contract.

2. Reasons for Recommendations

Given the importance of the leisure contract both financially and in terms of its positive impact on the health and wellbeing it is imperative that the Council works closely with the operator Greenwich Leisure Limited (GLL) to scrutinise and monitor the performance across its three leisure centres. During 2015 the centres collectively attracted over 900,000 visits and generated an annual turnover of in excess of £4.1M.

GLL is a major local employer (particularly of young people) and provides key services to local residents that directly support several of the Council's key corporate objectives in relation to improving health and well-being. As detailed in the report the contract has evolved over recent years and now includes outreach work that helps reduce health inequalities in targeted communities at no additional cost to the Council.

3. Content of Report

Chiltern Leisure Advisory Board (CLAB) monitors the operational performance of the Leisure provider, Greenwich Leisure Limited (GLL) trading as Better. Under the terms of the contract GLL are responsible for the operation of the centres including programming, fees and charges, maintenance and staffing. The contract also provides for re-investment of a share of the income delivered through the contract. Following a contract extension GLL are also responsible for the delivery of the Councils outreach community/sports delivery programme. The Council is responsible for external structural repairs of the centres.

This report outlines the overall performance of the Chiltern's Leisure Contract with GLL from January 1st to 31st December 2015. The key themes covered, include visitor

numbers, financial performance, investment in facilities, energy usage and outreach community development work.

GLL out-turn report and annual accounts are attached as Appendices 1 and 2, both provide detailed performance data with regards to Chiltern's leisure contract. In 2015 the key outcomes are listed below.

- The contract achieved a total surplus of £328,677
- GLL-Better invested £236,853 in its 'Repairs and Renewal' programme which included various building and air handling unit repairs, new pool filtration and disinfection systems
- GLL-Better invested £204,245 in its 'Planned Preventative' programme including improved lighting and shower systems
- Since 2005 the contract has invested £1,919,987 from its surplus share improving a range of facilities across all three leisure centres sites including changing rooms, fitness studios and poolside areas.
- In 2015 the centres attracted 903,417 customer visits, this represents a 55% increase in usage since the contract commenced in 2005
- Contract monitoring has identified a good quality of service; however there is plenty of scope for improvement.
- The outreach sports/community programme includes the delivery of diversionary projects, disability climbing programme and activities for elderly residents. (Tai Chi, Gentle Exercise, Walking Football)

Consultation

The report was developed in close partnership with senior managers from GLL through Chiltern's Leisure Advisory Board. (CLAB)

4. Corporate Implications

4.1. Financial

The annual contract management fee provided by the Council to GLL is £105k (subject to CPI increases/decreases). The Council also contributes £100k capital to manage repairs to the external structure of the centres.

The Chiltern Leisure Contract delivered a surplus of £328,677.

In 2015 GLL-Better invested £673,882 in the facilities with;

- £534,929 invested in Chiltern Pools reception, gym and dance studio project
- £138,953 invested in Chesham Reception, Gym and Club area.

Based on existing surplus levels GLL forecast that it will be investing a further £750K before the end of the contract period in 2020, bringing the total amount for the duration of the contract to well in excess of £2,500,000.

GLL will bring forwards proposals to invest in the centres in line with the Indoor Leisure Strategy

4.2 Environmental

Collectively the leisure centres account for approximately 73% of the Council's energy usage, on-going investment to improve energy efficiency and reduce energy usage is a key performance target as detailed in Appendix 1.

4.3 Equalities

GLL-Better delivers a range of activities in support of the Council's equality standards. This includes the delivery of ladies only swimming, reduced charges for older and younger people, targeted activities to maximise uptake from all communities, a range of diversionary activities to reduce anti-social behaviour, and the delivery of the exercise rehabilitation schemes for residents living with long term medical conditions. The centres have also improved building access, extended the range of activities for disabled users including adapted fitness studio equipment, climbing wall equipment and sensory play area.

5. Links to Council Objectives

Work towards safer and healthier local communities

Promote healthier communities

- Plan our leisure provision for the future

Strive to conserve the environment and promote sustainability

- Promote energy efficiency and encourage the reduction of carbon emissions

6. Next Step

Feedback and comments from the Services Overview committee will be presented to the next Chiltern Leisure Advisory Board meeting on the 6th September 2016.