

Overview and Scrutiny
Leisure Contract 2017

Presentation by

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Leisure Contract – facilities overview

- Chorley Council own three leisure facilities at the following locations in Chorley:
 - All Seasons Leisure Centre (Town Centre) exercise / leisure activities and swim/wet facilities
 - Brinscall Swimming Baths (Brinscall) – swim/wet only
 - Clayton Green Leisure centre (Clayton Green) - exercise / leisure activities only, no wet facilities

What is the current arrangement?

- The contract is currently managed by Active Nation <http://activenation.org.uk/> (registered charity) previously operating as Community Leisure Services Ltd, a private limited company.
- Their annual report for 2017 reports they operate sites on behalf of councils at the following locations in the UK: Derbyshire, Hampshire, Lincolnshire and Southampton.
- Full details of financial status, reports and management structures can be found on the Charity Commission website <http://beta.charitycommission.gov.uk/charity-details/?regid=1047742&subid=0>
- The contract has been in place since 2005 and is scheduled to run until 2020

How is the contract managed, staffing & financial value?

- The facilities and teams of delivery staff working in the various specialism including gym, activity, swim, nursery, sales, operations and finance are managed on a day to day basis by the appointed local leadership team, who report to the national senior management team, who in turn report to the Board of Directors.
- The contract with Active Nation stipulates in detail how the contract will be managed including the responsibilities of both Chorley Council and Active Nation in regards to maintenance responsibilities.
- The overall value of the contract is £ 4,445,000.00 which is paid as a monthly management fee.

Time line of contract

- The contract has been in place since 2005 when the business was listed as Community Leisure Trust and is due to expire in 2020.
- The contract is due to be reviewed in 2018 and as a result work is scheduled to start in July 2017 by the Health and Wellbeing Manager and the Head of Early Intervention and Support to instigate this process.
- As part of this process an external consultant will be commissioned to evaluate other national models of council leisure centre provision and management and explore new alternative models of utilising these assets, with partners, to maximise access to activity for those most in need and to support the delivery of the ambitions as set out in the early intervention and support strategy. (July-Sept 2017)

Performance

- Performance data gathered is output focused and is based on overall usage of the site and attendance by young people and older adults.
- In addition Active Nation have their own internal performance and quality management system which track the opinions and rating of their users.
- Performance in these areas is consistently at or above target.
- An outcomes based performance target would focus on the impacts of attending the leisure centre and would see focus directed to increasing attendance from those most in need (inactive, socially isolated, mental health conditions)

Challenges & Options

- Negotiating items for replacement or repair via the asset maintenance schedule is time consuming and potentially costly as responsibility for up-keep of assets lies with AN and replacement with Chorley Council.
- Managing a contract that is outsourced to a third party increases demand on the team and the directorate, slows down decision making and doesn't allow for enough joined up working.
- Health and wellbeing centres, utilising integration with health partners is emerging as a successful model nationally.
- There is an option to bring the operation back in-house.

Models and options (health and wellbeing)

1. Invite other Leisure providers to tender for the contract under the current operating provision and objectives
2. Bring the provision back in-house and deliver under the current operating provision and objectives
3. Invite other providers to tender for the contract under a new operating provision with objectives in-line with early intervention principles and outcome based performance.
4. Bring the provision back in-house and design a model which targets the health needs of the residents of Chorley and is linked to our ambition for future operating models of partnership and collaborative approaches

Conclusion and next steps

- The option to bring the provision back in-house and design a new model provides the greatest potential for opportunity and new ways of working but must be investigated for financial suitability.
- The appointment of an external agency to review options and operating models needs to take place to ensure all possibilities are explored.
- Appointment of external agency to conduct the review
- Review of financial information from the existing contract
- Review of financial impact of returning the contract to an in-house model
- Presentations from key stakeholders
- Presentation of findings from external agency

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