

Appendix 4

Update on Leisure Contract 2013

1. Contract parties and brief description of scope

Contractor Greenwich Leisure Ltd. To deliver leisure management services from Harrow Leisure Centre, Bannister Stadium and Hatch End Pool. Contract operated as an Open Book trading account with income exclusive of management fees etc accruing to Harrow. This was an interim two year contract to allow Harrow to evaluate further contract options including joint contracting for a longer period with neighbouring boroughs.

2. Council responsible officer

Marianne Locke Divisional Director Community & Culture

3. start and finish dates

Started 1st May 2011

Finish date 30th April 2013 (but in the process of extension until 31st August 2013 (start of new contract))

4. annual and total values

Annual totals	-£577,000 Yr1 (income to Council)
	-£589,000 Yr 2 (income to Council)
Total	-1,166,000 (income to Council)

5. pricing parameters/schedules (or reference to these in the case of long and detailed schedules)

6. any significant variations, particularly financial

Stated income not achieved due to higher rates of unrecoverable VAT than originally expressed. Current shortfall of £174,000. Significant increase above target in number of members of Harrow Leisure Centre (29% increase)

7. contract performance criteria and how measured

Measured through contract review meetings as below

8. contract management/administration process, including reviews

- Client Monitoring Officer manages day-day monitoring of delivery of contract including weekly inspections
- Service Manager holds monthly meetings with contractor and has authority to resolve minor issues
- Quarterly Leisure Contract Boards attended by contractors, client team, Divisional Director, Portfolio Holders for Major Contracts and Community & Culture. Detailed performance, Finance, H&S updates received.
- Annual Review: attendees as Q'ly meetings
- CHW Contracts Board oversees contract management

9. any significant risks - operational, service, commercial or financial

Financial risk of underachievement of income although payment to LB Harrow higher than previous leisure contract.

No other significant risks. Performance has been of high standard.

10. any inflation provisions

None – Open Book trading account.

11. termination/break provisions (if appropriate)

Not applicable

12. payment provisions

Ann B to confirm

13. key dates, e.g. milestone activities,

End of contract 30th April 2013 to be extended. GLL have agreed to extend to end August 2013.

14. exit strategy(ies), e.g. towards end of contract