

**REPORT FOR:**

**PERFORMANCE AND  
FINANCE SCRUTINY SUB-  
COMMITTEE**

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**Date of Meeting:**

2 February 2012

**Subject:**

**INFORMATION REPORT – Leisure  
Management Contract Performance  
May – December 2011**

**Responsible Officer:**

Brendon Hills - Corporate Director  
Community & Environment

**Scrutiny Lead  
Member area:**

Councillors Nana Asante and Chris Mote -  
Safer and Stronger Communities Scrutiny  
Lead Members

**Exempt:**

No

**Enclosures:**

Appendix 1: Staff training and Development  
Appendix 2: Programme Improvements

**Section 1 – Summary**

This report sets out information for Members on the performance of the new leisure management contract for the period May 2011 – December 2011.

**FOR INFORMATION**

## **Section 2 – Report**

### **2.1 Introductory paragraph**

Performance & Finance Scrutiny Sub-Committee requested an update on the performance of the leisure management contract with Greenwich Leisure Ltd which began in May 2011. This report updates the Committee on performance from May – December 2011

### **2.2 Background**

In March 2011, Cabinet approved a two year contract, from 1 May 2011 to 30 April 2013, with Greenwich Leisure Ltd. (GLL) for the management of its leisure facilities pending a review of longer term arrangements. The contract covers the management and delivery of operations at the following Council facilities:

- Harrow Leisure Centre
- Hatch End Pool
- Bannister's Stadium

There are two major changes from the previous contract:

- *Fixed fee basis with an 'open book' trading account.* The Council pays a fixed annual management fee and takes all the benefits of any surpluses on the trading account but also takes any risks such as a downturn in the leisure market or unexpected major costs.
- *Maintenance responsibilities.* Whereas under the previous contract, maintenance responsibilities were shared between the contractor and the Council, on the current contract GLL undertakes all maintenance on an agency basis on behalf of the Council.

### **2.3 Contract Performance May - December 2011**

#### **2.3.1 Handover and mobilisation**

An effective handover was achieved between the outgoing and incoming contractor with no loss of service to the public and with minimal disruption to staff, services and operations. During the initial period, GLL staff from other centres were brought in to support the handover. Staff were TUPED between the contractors and permanent staff become full members of the GLL social enterprise. Initial problems with the transfer to new ICT systems caused some complaints but are now resolved. Handover included a buildings survey which identified issues with the levels of maintenance and presentation of the facilities and a programme of 'quick wins' was developed. GLL therefore concentrated in the first ten weeks on bringing about improvements to the buildings in order to bring them up to an acceptable standard

### 2.3.2 Monitoring the contract

The Council has adopted a strong partnership working relationship with the new contractor but officers have also put in place a robust monitoring regime to ensure delivery of performance and swift identification/resolution of any issues. In the initial phase of mobilisation frequent meetings up to 3 times per week took place with the contractor. GLL provide timely reporting on a suite of indicators including participation, complaints, Health & Safety, financial reporting etc. GLL have also installed new leisure management software to run the day-day business and provide management reports. The following monitoring regime is now in place:

- Weekly ad hoc visits and inspections by the Council client monitoring officer
- Fortnightly meetings with the GLL Partnership Manager
- Monthly maintenance meetings with the GLL General Manager
- Monthly submission of key performance indicators by GLL and quarterly to the Improvement Board
- Quarterly formal meetings with Lead Members, the Divisional Director and senior GLL staff at which a formal report on performance to date is tabled
- An annual review meeting with Lead Members and the Corporate Director.

### 2.3.3 Increasing use of Harrow's leisure facilities

#### Visits and membership May – December 2010 and May – December 2011

*i) Comparison of visits:*

<b>Leisure comparison - visitors</b>			
	<b>2010</b>	<b>2011</b>	<b>Variance</b>
<b>May</b>	51377	82554	60.68%
<b>June</b>	52869	88852	68.06%
<b>July</b>	51994	89315	71.78%
<b>August</b>	73672	74765	1.48%
<b>September</b>	83562	93030	11.33%
<b>October</b>	71143	86861	22.09%
<b>November</b>	75058	79351	5.72%
<b>December</b>	64802	75793	16.96%
<b>Total</b>	<b>524477</b>	<b>670521</b>	<b>27.85%</b>

*ii) Pre-paid membership:*

Pre-paid memberships grew from 3074 in May 2011 to a high of 3416 in October 2011 (11% growth). It should be noted that the main period for membership sales is January – March of each year in the Health & Fitness Industry. It is therefore envisaged that with the improved service provision (machines and air conditioning in the fitness centre working) the membership level will increase considerably in 2012. The following graph demonstrates the membership levels for 2011.

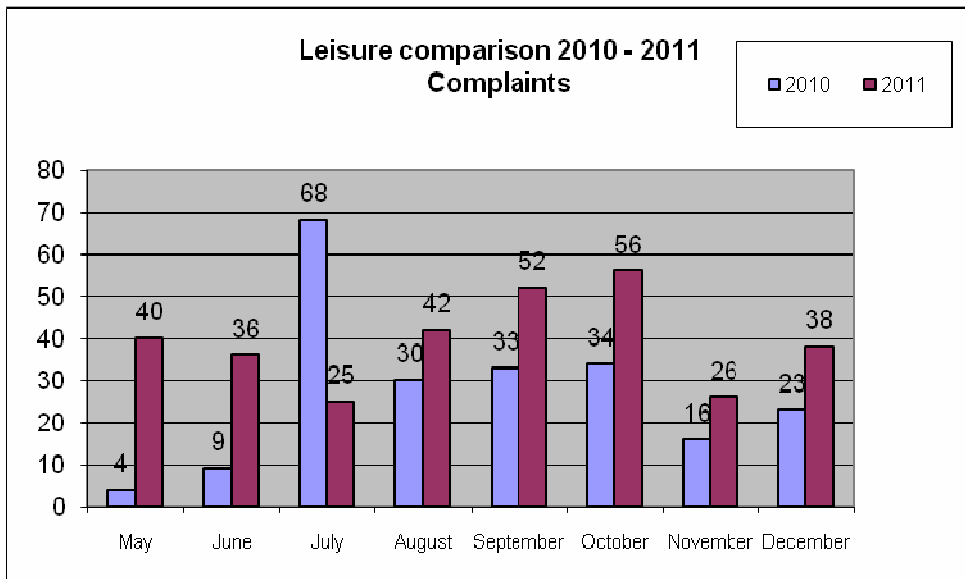


The figures chart a turnaround in performance to a service that is being used increasing numbers. It can be put down to the following factors:

- Physical improvements to the buildings
- Significant investment in staff training
- Strong marketing
- Improvements to the programmes on offer

### **2.3.4 Customer comments/feedback**

The chart below shows a 45% increase in complaints compared with the same period in 2010.



Much of this increase can be attributed the fact that GLL adopted a wider range of ways of seeking customer feedback as a key way to improving services such as customer comments systems, a customer forum etc. In addition, dissatisfaction at the presentation of the buildings features highly in analysis of the complaints. Issues such as the air conditioning not functioning in the Fitness Centre have been dealt with and the complaints have tailed back in November and December to reflect the remedial work that has taken place.

### **2.3.5 Community Engagement and Customer Satisfaction**

GLL actively seeks comments and complaints through different channels including 'Meet the Manager' forums at all three facilities. GLL has worked to build collaborative relationships with key stakeholders such as Harrow & Wealdstone Swimming Club, Harrow Athletics Club etc. and is also an active member of the Community Sports and Physical Activity Network.

GLL has conducted an Annual User Survey Report which produced the following topline results:

- 84.8% of surveyed users rated Harrow Leisure facilities overall experience satisfactory or above
- 100% of users rated Bannister Sports Centre overall experience satisfactory or above
- 88% of users rated Hatch End Pool overall experience satisfactory or above
- 80% of users rated Harrow Leisure Centre overall experience satisfactory or above

- 86.3% of people rated the overall activity experience satisfactory or above in the Partnership
- 91.4% of users said that the service with the Partnership had improved or stayed the same

*Positive comments received via the Leisure Centres*

- August 2011 – Kind and friendly reception staff. Security staff dealing with poor behaviour very professionally.
- September 2011 – Pool temperature very good.
- November 2011 – Receptionist is extremely helpful
- November 2011 – Receptionist is always so happy and friendly.

*Positive comments from Customer Forums*

- Fitness facilities greatly improved
- Air conditioning working in the gym is a great improvement
- Dance studio has improved greatly with new music system, painting and flooring
- Increase in Changing Room cleanliness
- Staff friendliness at reception
- Improvements in the gym overall, equipment working

In addition GLL has worked in a proactive way with local residents who have expressed concerns about the impact of major events in the Byron Hall by inviting them to forums to discuss the problems. This has resulted in issues being resolved before they become problems. As part of this process all Members (but particularly local Ward Councillors) were invited to meet GLL's new management team at an Open Weekend in July.

GLL have worked with the Police and Licensing to ensure that Harrow Leisure Centre is operating to desirable standards in terms of taking reasonable steps to reduce criminal activity and to operate events to the required standard. The Leisure Centre submits a "696" form to the police for each event held and advice is then taken with regards to the operation of the event.

### **2.3.6 Staff Training and Welfare**

Integral to any successful operation is an investment in staff training and development. On taking over in Harrow GLL introduced a number of initiatives to support and train staff. These included introducing improved terms and conditions for staff. In addition GLL has introduced a comprehensive training package (see Appendix 1) . This programme has proved successful in inspiring and motivating staff.

### **2.3.7 Programme Improvements**

GLL has reviewed the programme and launched the following initiatives (see Appendix 2):

- A community open weekend in July with a range of free taster sessions
- An active role in Under One Sky
- Work with the PCT on exercise referral programmes and programmes targeting families of overweight children
- Re-opened Adventure World for small children
- New netball and basketball programmes in partnership with Sports Development
- Earlier opening for swimming and fitness at the Leisure Centre
- Targeted programmes for young people and over 55's
- Closer liaison with Licensing and the police on events management
- Liaison with local residents and ward councillors
- New children's holiday programmes
- Online booking including exercise classes and swim schools

### **2.3.8 Health and Safety**

GLL ensure that all those employed within the partnership and any other contractors working in the centres comply with the Health and Safety at Work Act 1974 and other supplementary legislation or guidance including the Health and Safety (First Aid Regulations 1981). A number of Health & Safety training modules have been delivered for staff as above and improved accident and incident reporting has been put in place.

## **Section 3 – Financial Implications**

3.1 Whilst there has been a significant turnaround in the performance on this contract two major issues have impacted on the financial performance. These are:

Dilapidations works to restore buildings -	£115k
Unforeseen water/gas expenditure -	£100k

3.2 As the Council benefits from all surpluses on the contract the predicted additional income could be reduced by about £215,000 to account for the above issues. However, the current financial performance of the contract shows that the Council is likely to save a minimum of £330,000 in the current financial year, compared to last year, and there is a strong likelihood that this will be even higher as the January - March quarter is one of the highest performing in the leisure industry.

- 3.3 As both these issues have now been dealt with the Council can look forward to a strong financial performance in 2012/13. This forecast does not allow for any increase in participation following the Olympic Games. Unlike the first year where the first three months were taken up in rectifying problems with the buildings (and training staff), GLL will have a full year in which to maximise usage.
- 3.4 GLL is currently working on a Business Plan for the May 2012 – April 2013 year of operation which will be presented at the next formal quarterly meeting.

#### **Section 4 – Equalities Implications**

The new and planned programmes being introduced by GLL have increased usage at the sites and have encouraged wider take-up of healthy activity including amongst older people and young people and for parents/carers. A review of current pricing structures is intended to further assist in widening participation. Future monitoring will include an equalities analysis to ensure that the contract fulfils our continuing duty under the Equalities Act.

#### **Section 5 – Corporate Priorities**

The new leisure management contract meets the following corporate priorities through the delivery of an enhanced, inclusive programme of events and activities :

United and involved communities: full customer and stakeholder engagement programme to help deliver local programmes

Supporting people most in need: delivering targeted programmes at reasonable process in liaison with the PCT and local sports clubs

Name: Kanta Hirani	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 20 January 2011		



## **Section 6 - Contact Details and Background Papers**

**Contact: Marianne Locke Divisional Director Community & Culture**

**Background Papers:**

**Cabinet report: Leisure Facilities Management Contract 17<sup>th</sup> March 2011**

## Appendix 1: Staff training schedules

- National Pool Lifeguard Qualification: 2 hour monthly training for lifeguards, an audit is completed every 6 months, in May upon entering the Partnership Harrow LC scored 56% and Hatch End Pool 71%. In November, 7 months after GLL entered the Partnership Harrow LC scored 71.9% and Hatch End Pool 93%.
- Life Changing Event Training: DVD on serious poolside incidents, lifeguards complete with a test: All lifeguards complete this as part of their training programme.
- Wellness Sales Training: training for staff to provide them with skills to improve selling techniques
- Fire & Evacuation: Occurs once per quarter for the centre teams, previously staff were not undertaking (legally required)
- Disability Awareness: 2 hour training session held to promote disability awareness
- Customer Service Training: 2 hour training session held to improve the skills of the customer service advisors
- NOP/EAP & Swim Safety: Normal Operating procedure & Emergency action plan training & Swim Safety: each member of staff must undergo a test once a year and before they commence employment with GLL.
- Fitness Instructor Training: Training provided to the fitness team, to promote customer engagement, programme writing and retention skills
- Equality and Diversity: Educating team members on equal opportunities and the associated laws
- Safeguarding Children Training: Educating and making the team aware of their responsibilities with regards to child related issues and associated laws
- Asbestos Awareness: Duty Managers, Service Managers and the General Manager have completed this training to make them aware of the dangers associated with asbestos, associated laws and their responsibilities with duty of care for staff and the public.
- Diploma in Coaching & Mentoring Course: Partnership Manager has undertaken a diploma in coaching & mentoring, this is developing succession management amongst the team and in turn keep the team motivated. General Manager to undertake the introductory level in 2012.

- Level 2 Fitness Instructors Course: Several lifeguards have undertaken the fitness instructor course to enable cross departmental working and increase the skill set of the team.
- Security & Revenue Protection: Training course undertaken annually to make staff aware of security & revenue issues and expectations
- GLL Green: Energy & Environment training focusing on ways to reduce utility spends and the carbon foot print of the centres
- Legend delegate training: IT training given to a selected number of delegates at the facilities to enable reports to be produced and prices to be amended.
- Budget Training: Training given to the budget holders to enable effective use and writing of centre budgets.
- Swim Teacher Conference: Annual teacher conference discussing changes to the ASA swimming plan and others teachers the chance to form discussion and gain CPD points.
- Rolling Programme Training: This training has been given to the centre teams to up skill them on the new swim courses booking system, which includes an option for annuals and direct debits.

## **Appendix 2: Programme Improvements**

**Sports Foundation:** GLL funded talent initiative which opened for applications in December 2011. Talented young sports men and women across Harrow have a unique opportunity to access some of the £400,000 funding from the GLL Sport Foundation; established to support and develop athletes in order to help them achieve their Olympic and Paralympic dreams at London 2012, Rio 2016 and beyond.

**MEND** – In September 2011, GLL working in partnership with the Harrow and Brent PCT agreed to deliver 3 MEND 10 week sessions. MEND is a project directed at obese children and their families, where the family is encouraged to attend the centre twice per week to take part in theory and practical fitness and health activity. The first group of 12 families completed in November, with the second and third groups due to start toward the end of January. GLL team members have been trained to deliver this project.

**Opening Hours at Harrow Leisure Centre** – In September 2011 the decision was made to extend the opening hours of Harrow Leisure Centre. The pool and fitness centre now open at 6.30am Monday – Friday, previously the centre opened at 7am. This has enabled the centre to cater for commuter trade who will provide additional business for the facility.

**Exercise on Referral** – In May 2011, GLL agreed with the Harrow and Brent PCT to deliver the ERS scheme to 160 referrals by April 2012. The sessions are taken by a Level 3 Exercise on Referral fitness instructor and comprise one pre assessment, 8 practical sessions and a post assessment. Currently GLL have delivered or are delivering the scheme to 110 people and will achieve the required participants by March. All participants of the scheme are offered a discounted fitness membership as an exit route into long term fitness.

GP referral Swimming sessions have been added to the pool programme at Hatch End Pool twice per week with good attendance.

Cardiac phase 4 sessions are currently being operated by the PCT in the fitness suite at Harrow Leisure Centre.

**Online** – GLL introduced online bookings for group exercise classes, badminton, squash and in December 2011 introduced online bookings for London Swim School. The result of introducing online bookings is a reduction in queuing times and this also provides another way by which customers can purchase products at the Leisure Centres.

**London Swim school** – From January 2012 the GLL London Swim school has been implemented at Harrow Leisure Centre and Hatch End Pool. This will offer local residents the chance to pay for their swimming lesson by direct debit, annually or in 10 week blocks. We hope this will lower the queuing time for rebooking swimming lessons. The programme is also a rolling programme, giving students more flexibility and the opportunity to move levels during term time.

**Adventure World** – The adventure world has been brought back into use after being closed for the past 5 years. Repairs were made to the structure to enable children to use the area again.

**Sportmakers** – GLL, working in Partnership with Harrow Council and Sportmakers will be holding this convention January 16th 2012. The sportmaker convention is aimed at people who need assistance to form clubs and activities or people who wish to find out where they can undertake certain sports or leisure activities.

**Central Basketball League** – The league began throughout GLL facilities in October 2011. The aim is to provide a youth basketball league throughout London. There are 47 events being held between October 2011 & May 2012 with 5 confirmed at Harrow Leisure Centre. In total 521 games will be held in the league. By holding the events in Harrow we have provided an opportunity for local youth Basketball players which previously did not exist previously (opportunity to join a Basketball Team).

### **Current Working agendas**

**Bannister Sports Centre opening hours** – GLL are currently working with local schools which use the Bannister Sport Centre to ascertain if we can work together to streamline the operating hours of the facility. It is envisaged that by working with local schools on their curriculum timetables for 2012 / 2013 that a more efficient operation will follow.

**Racketball** - is to be introduced to the centre in February/March 2012. A training session is being run at the end of January. GLL hope to that this will mean higher utilisation of the 8 squash courts available.

**Kool Krew** – Holiday play schemes are currently outsourced with poor attendance averaging 20 children per day. GLL believe that by bringing this in house they will be able to deliver an all day programme for children 5 years and over, averaging up to 50 heads per day.

**Basketball** – GLL will be delivering basketball sessions in co-ordination with Reach & Teach Basketball by April 2012. This will offer local children the opportunity to develop skills and also provide a pathway to the Central Basketball League.

**Netball** – In partnership with Harrow Sports Development netball lines have been laid in Arena 3. Harrow Sports Development are working with a local Netball Club to make HLC their home centre.