

Committee: Cabinet

Date of meeting: 4 July 2018

Subject:	Leisure Facilities Strategy for Elmbridge
Lead Officer:	Head of Leisure and Cultural Services
Portfolio Holder:	Councillor Malcolm Howard, Portfolio Holder for Leisure and Culture
Link to Council Priorities:	Quality Services, Economic Development, Community Wellbeing
Exempt information:	None
Delegated status:	For Resolution
Key decision:	No

Executive Summary:

The contract for the management of the Boroughs leisure facilities comes to an end in 2021. In advance of retendering this contract a number of decisions are required as to the type of contract and services to be provided. This report summarises the work currently being undertaken by Strategic Leisure consultants to provide a Leisure Facilities Strategy for Elmbridge and inform the specification for the new Leisure Facilities Management Contract in 2021.

Recommendation: that

(a) Members note the content of this report and agree the outline timetable.

Report:

1.0 Background

- 1.1 The current Leisure Management Contract includes the Xcel Leisure Complex, Hurst Pool and the four remaining community halls, namely King Georges Hall, Elm Grove Hall, the Cecil Hepworth Playhouse and Vine Hall. The contract commenced in 2006 and is due to end on 14 August 2021. The contract is managed by Places for People (PfP). There is no option within the contract to extend beyond 2021.
- 1.2 The Synthetic Turf Pitch Contract commenced in 2009 and the Sports Hub Contract commenced in September 2017. Both are co-terminus with the Leisure Management Contract and are also managed by PfP. It is anticipated that both facilities will be included in the new Leisure Management Contract going forward in 2021.
- 1.3 In preparation for re-tendering of the Leisure Management Contract and to help inform the procurement process, the Council has appointed specialist consultants, Strategic Leisure, to undertake the following work, following Sport England guidance:
 - Indoor Leisure Facility Needs Assessment
 - Leisure Management Options Appraisal

2.0 Indoor Leisure Facilities Needs Assessment

- 2.1 This assessment will gather evidence of future community needs for indoor leisure facilities across the borough, taking into account and contributing to the emerging Local Plan.

This follows Sport England's approach to undertaking a robust assessment of need for indoor and outdoor sports facilities. This approach also meets the requirements of the Government's National Planning Policy Framework, which states that:

'Access to high quality open spaces and opportunities for sport and recreation can make an important contribution to the health and well-being of communities. Planning policies should be based on robust and up-to-date assessments of the needs for open space, sports and recreation facilities and opportunities for new provision. The assessments should identify specific needs and quantitative or qualitative deficits or surpluses of open space, sports and recreational facilities in the local area. Information gained from the assessments should be used to determine what open space, sports and recreational provision is required.' (NPPF, Paragraph 73)

- 2.2 An audit will be carried out of current provision, looking at the age, condition, usage and potential of each site.
- 2.3 The consultants will examine planned future indoor leisure facility development within and outside the borough boundaries.
- 2.4 The information obtained will inform any future feasibility work for the development of new or refurbished leisure facilities within the Borough.
- 2.5 The above information will be used to produce a Leisure Facilities Strategy and Action Plan. This will inform the specification when the council tenders its new Leisure Facilities Management Contract in 2019.

3.0 Leisure Management Options Appraisal

- 3.1 Strategic Leisure will be required to undertake the following in respect of the Xcel Leisure Complex, Xcel Sports Hub, Synthetic Turf Pitch, Hurst Pool, community halls, and the in-house functions of sport, health and play development:

3.2 Review of the current service

This will include a financial and non-financial review of the current service operation, an analysis of current and potential levels of subsidy required for continued operation of the service, and the viability/sustainability of the current service and its delivery model in light of the strategic vision for the service. The non-financial review will include a quality audit of facilities, consultation with key stakeholders including clubs, schools, governing bodies of sport, review of previous facility customer user surveys etc. An analysis of the strengths and weaknesses of the service will be undertaken and an examination of the impact on customers, facilities and the Council of retaining their current delivery scope and model.

3.2 Facilities options appraisal

The consultants will identify and analyse whether, where and how there might be opportunities to invest in existing EBC facilities, or other sports specific provision, or make other changes to facilities to improve the customer service offer and/or financial performance of the service. The consultants will assess options for responding to the findings of the Council's recent condition survey reports and consider the impact these may have on the future delivery structure and potential operating models. This will link directly to the Leisure Facilities Strategy. The consultants will identify potential sources of funding in light of the management options appraisal and Leisure Facilities Strategy.

3.3 Management options appraisal

Strategic Leisure have also been commissioned to identify potential delivery options. This will involve identifying the various management models available in the market and consider how these fit with the Council's strategic vision. The strengths and weaknesses of each model will be identified. Through soft market testing, the consultants will assess the potential level of interest before going to the market. Strategic Leisure will assess whether there is a need/opportunity to expand the remit of the contract to other facilities and/or services, including the inhouse functions of sport, health and play development. An external view will be provided on the merits or including/not including the 4 remaining community halls in any contract going forward. An analysis and evaluation will be carried out of the comparative benefits and relative risks (financial and non-financial) associated with each of the potential delivery options compared to the current model.

4.0 **Timetable**

4.1 A presentation will be made to members in early September to provide a detailed overview of the key findings and recommendations from the above documents.

4.2 The Leisure Facilities Strategy and Management Options Appraisal will then be presented to Cabinet on 19 September 2018. It will be at this meeting that a decision will be made on the procurement route for the Leisure Management Contract. The following is an indicative timetable subject to the outcomes of the Cabinet meeting:

Sept 2018	Report to Cabinet setting out the business case for the new leisure management contract detailing the key findings/recommendations from the Facility Strategy and Management Options Appraisal. Procurement route and timetable reviewed to reflect the preferred management option and services/facilities mix.
Jan 2020	Procurement process commences
Oct 2020	Report to Cabinet – Award of contract
March 2021	Mobilisation period commences
Aug 2021	New contract commences

Financial implications:

Strategic Leisure were appointed following a formal tendering exercise. The cost of providing these reports is £26,000 and is being met from the 2018/19 Leisure and Cultural Services Revenue budget.

Environmental/Sustainability Implications:

None

Legal implications:

None

Equality Implications:

None

Risk Implications:

None

Community Safety Implications:

None

Principal Consultees:

CMB

Procurement Officer

Head of finance

Services Group Accountant

Head of Legal Services

Head of Planning Services

Head of Asset Management Services

Background papers:

None

Enclosures/Appendices:

None

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