|  |  |  |
| --- | --- | --- |
| **REPORT TO** | **ON** | |
| **Scrutiny Committee** | **14 November 2019** | |
|  | | |
| **TITLE** | | **REPORT OF** | |
| **Leisure Partnership** | | **Assistant Director of Projects and Development** | |

|  |  |
| --- | --- |
| Is this report confidential? | **No** |

**PURPOSE OF THE REPORT**

1. In accordance with the Council’s Leisure contract this short paper will bring forward a report from South Ribble Community Leisure Trust on the performance of our Leisure Centres and the Leisure Contract over the last 12 months. In addition a paper will set out the key issues going forward that we will need to work on with regards to our Leisure Facilities and the Leisure Contract going forward.

**RECOMMENDATIONS**

1. To note the submitted paper and attached report.

**CORPORATE OUTCOMES**

1. The report relates to the following corporate priorities:

|  |  |
| --- | --- |
| Excellence, Investment and Financial Sustainability | X |
| Health, Wellbeing and Safety | X |
| Place, Homes and Environment |  |

Projects relating to People in the Corporate Plan:

|  |  |
| --- | --- |
| Our People and Communities | X |

**BACKGROUND TO THE REPORT**

1. From June 2005, the Leisure Facility Services offered in South Ribble have been outsourced via a Trust Operating Model. This model is a partnership between South Ribble Borough Council, South Ribble Community Leisure Limited and Serco Leisure Operating Ltd.

The Leisure Facilities included within the contract include:

Leyland Leisure Centre.

Bamber Bridge Leisure Centre.

South Ribble Tennis & Fitness Centre.

Penwortham Leisure Centre.

Penwortham Holme Recreation Centre.

Leisure Services at South Ribble now have a full team of staff with the appointment of Neil Anderson – Assistant Director of Projects & Development, Catherine Southworth – Leisure Contracts & Projects Manager and Jason Ascroft – Facilities Maintenance Officer.

The current issues we are facing with the contact are as follows:

* The current Leisure Contract Agreement ends on the 31st March 2021. A number of potential management options are being considered and Leisure Services are looking to identify the pros/advantages/benefits and cons/disadvantages of the different operating models, which can then be analysed/summarised to help choose the best option to take our Leisure Facilities forward whilst providing: value for money, a high quality service and reflecting the aspirations of the Council’s new Corporate Plan.. This work will involve both the Trust and ultimately will be a decision for South Ribble Borough Council Cabinet and full Council going forward.
* Condition of our ageing leisure centre stock which currently has a high maintenance backlog and requires investment to keep the facilities standing still. Officers are drawing up a costed investment plan for the Council’s Leisure Centres that is affordable and hopefully reduces the on-going revenue subsidy at those sites for the next 5 years.
* Ongoing work on potential options for a new Leisure Campus project in South Ribble.

**PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)**

* 1. We are at the point of appointing FMG Consultancy to undertake an options appraisal as to possible ways forward on future management arrangements at our Leisure Centres. A waiver of Contract Procedure Rules has been submitted for FMG Consultancy to take us through the whole process including the following stages:

|  |  |
| --- | --- |
| **Project Stage** | **£** |
| Project Kick Off Meeting | 250 |
| Stage 1 – Masterplan Paper | 1,000 |
| Stage 2 – Consultation, Operational Review, Site Visits, Workshop Workshop | 2,800 |
| Stage 3 - Management Options Appraisal | 2,500 |
| Stage 4A – Procurement Options | 2,000 |
| Stage 5 - Reporting | 2,300 |
| **Total Cost of Base Option Proposal (above)** | **10,850** |
| Stage 4B – Shadow Bid | 3,450 |
| Stage 4C - Contract Negotiation Support | 1,450 |
| **Total Cost for Stage 4B and Stage 4C** | **4,900** |
| Stage 6 - Procurement process | 39,600 |
| **Total Cost for Procurement Process (Optional)** | **39,600** |

* 1. A potential investment plan is been developed for our existing Leisure centres is currently being worked up in partnership with Serco Leisure Operating Limited. This is based on the conditions surveys that were carried out in 2016 and our own visits to the leisure centres. It will be based on a hierarchy of Health and Safety through to Enhancement. The idea of the investment would be to sustain our existing Leisure Centres over the next 5 years which is roughly the time it would take before any new facility was built and opened.  We will also use the proposed investment as an incentive to get a better management fee deal with Serco if we were minded to give them a short extension. Again final decisions made on any investment or agreeing a contract extension will be a decision for Cabinet and full Council

**Financial implications**

1. In September, Council approved a budget of £50,000 for professional fees. If the procurement process option is progressed, then there is a potential budget shortfall of £5,000 which will need to be addressed.

**LEGAL IMPLICATIONS**

1. There are no direct legal implications arising from this report

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

1. Provision will be made in the budget and medium term financial strategy assumptions for any potential financial implications of the future arrangements for the management of the leisure contract and also the capital investment required in the facilities.

**COMMENTS OF THE MONITORING OFFICER**

1. Thisis a major project for the council of course. Whilst there are no legal implications arising directly from this report nevertheless Legal services will be strongly involved in the project moving forward.

**OTHER IMPLICATIONS:**

|  |  |
| --- | --- |
| * **Property & Asset Management** | *There will be a property impact whatever decisions are made on our Leisure Centre going forward.* |

**BACKGROUND DOCUMENTS (or There are no background papers to this report)**

Development of Leisure Centre Campus – Report to Council

2016 Condition Survey Summaries

**APPENDICES (or There are no appendices to this report)**

Appendix 1 – South Ribble Community Leisure Partnership Performance Update 2019

Neil Anderson

Assistant Director of Development & Projects

|  |  |  |
| --- | --- | --- |
| Report Author: | Telephone: | Date: |
| Catherine Southworth, Leisure and Projects Manager |  | 29.10.19 |