

**REPORT TO THE PERFORMANCE SCRUTINY PANEL  
MEETING ON 29<sup>th</sup> SEPTEMBER 2021**

---

**Status:** For Discussion

**Title:** The Council's working arrangements with SLM (Everyone Active)

**Originator:** Steve Taylor

**Where to next:** Any Recommendation to be considered for implementation.

**Objective:**

To scrutinise the leisure centres working arrangements and operation in respect of the current provider SLM.

**1. Outcome sought from Panel**

1.1 To consider and discuss the performance of our operator SLM in respect of the leisure Centre operations.

**2 Background**

2.1 On 1 April 2019, the Council entered into a 3-year contract with SLM for the delivery of leisure services at both Harborough Leisure Centre and Lutterworth Sports Centre.

2.2 Harborough Leisure Centre and Lutterworth Sports Centre were both leased to SLM for the term of the contract.

2.3 Whilst historically the contract included an annual payment to the Council, we are currently operating an open book accounting system and the council has subsidised this by waiving the payment to them and financially supporting through the entirety of the COVID 19 pandemic

2.4 HDC Staff worked hard through the pandemic to release significant National Leisure Recovery Funds (NLRF) to improve the deficit position for the council. Work continues to ensure we build upon the work already done to encourage the community back to our centres

### 3. Contract Performance Management

#### Monthly Monitoring Reporting

- 3.1 Appendix 1 is the most recent example of the monthly report issued by SLM to the council it highlights important information around attendance as well as information on new initiatives and activities to be taking place across the two operator sites

#### Key Performance Indicators

- 3.2 Key Performance Indicators are supplied by SLM to the Council on a monthly basis. These are discussed in quarterly meetings between SLM and the Council.

#### Pricing

- 3.3 Pricing for the activities (swimming, gym, sports hall hire etc) is split into core and non-core prices.
- **Core Pricing:** Price reviews take place on a yearly basis and increases are limited under the contract terms to Retail Price Index (RPI) per annum above the baseline price established at the start of the initial contract.
  - **Non-Core Pricing:** Prices for non-core activities are set and varied at the sole discretion of SLM.

#### Council Audits

- 3.4 As per the Contract for Payment for Leisure Services, the Council undertake formal quality audits on the management of the facilities. These are known as Visitor Standard Assessments (VSA) and are carried out subject to COVID 19 restrictions on a monthly basis at each centre by the Council.
- 3.5 Cleanliness, building maintenance, health and safety management, and quality of facilities provided are among the items scored as part of the inspection.

#### Repairs & Maintenance

- 3.6 Under the terms of the two leases between HDC and SLM, SLM are responsible for the repair and maintenance of the centres, although, to ensure value for money, some aspects are retained by the Council as outlined in Appendix 1.

#### **4 Points for discussion**

- 4.1 To consider the response of our leisure provider in relation to the COVID-19 pandemic and how we are building on our relationship moving forward post pandemic to support the communities emerging health, wellbeing and physical activity related concerns

#### **5 Equality Impact Assessment Implications/Outcomes**

- 5.1 All current and potential issues are discussed and evaluated through the regular contract meetings.

#### **6 Impact on Communities**

- 6.1 The leisure centres play a vital role in delivering leisure and sporting opportunities to the residents of the district. The role of the centres in delivering health benefits to the community over the coming years is likely to increase with the focus of healthcare moving away from treatment and towards prevention.

The centres are achieving significant successes in delivering activity programmes to members of the community who have previously been inactive and at risk of poor health for example the Cancer Prehabilitation Scheme, Cardiac Referral Scheme and GP exercise referral scheme.

It is of particular importance that SLM continue to work with the Council's leisure team to ensure they are involved in local and national initiatives and are looking at where they can apply for grant funding to enhance provision.

- 6.2 Both centres operate classes and activities which encourage older residents to participate in gentle exercise sessions assisting with mobility and other long term health conditions.
- 6.3 We already are seeing a rise in the number of people experiencing symptoms associated with the following:
- Mental Health
  - Physical Health relating to inactivity such as increased home accidents and musculoskeletal disorder.
  - Diagnosis of long covid

#### **7 Uniting Communities Through Activity**

- 7.1 It has been a challenging year but the lifting of regulations relating to the opening of leisure facilities and return to activity has been welcomed.

7.2 The new focus over the coming months is to safely work through the business plan Uniting Communities Through Activity and encouraging customers to take part in 150 minutes of exercise each week with at least 2 sessions at our leisure centres. Appendix 2 (Uniting Communities Through Activity) sets out how this will be done.

## **8 Legal Issues**

8.1 HDC has a contract with SLM for the delivery of leisure services. The contract expires at the end of March 2022. There is an extension clause within the contract that permits an extension of up to 1 year. The contract is currently being worked on with SLM to try to secure delivery to March 2024.

## **9 Resource Issues**

9.1 As a result of the COVID-19 Pandemic the council is currently operating an open book accounting approach with our leisure provider, and providing the support required to ensure the ongoing provision of our leisure service.

9.2 The council has been successful in securing significant National Leisure Recovery Fund monies to support the provider through current lockdown restrictions and aid its recovery, in addition we have been able to claim back some of the management fee we were expecting from the contractor.

## **10 Community Safety Implications**

10.1 High participation levels in sport and physical activity amongst young people are thought to contribute towards lower levels of anti-social behaviour (ASB).

10.2 Physical activity is clearly important in building a cohesive community. Research from the ukactive Research Institute in partnership with the DataHub found that community leisure in the UK contributes £3.3bn in social value. This figure takes into account improved health, reduced crime, increased educational attainment and improved life satisfaction (subjective wellbeing), with activities like football having a significant social impact on education and crime reduction.

## **11 Carbon Management Implications**

11.1 SLM recognise the importance of Carbon and Energy Management. Opportunities for improved energy management are constantly reviewed and implemented where feasible and financially viable.

## **12 Risk Management Implications**

- 12.1 Operational risks are managed by SLM and discussed in the regular contract meetings.
- 12.2 The Council retains certain liabilities as the owner of the leisure centres and monitor these, including identifying and progressing Health and Safety action points.
- 12.3 The Corporate Health and Safety Officer carried out a Health & Safety audit of Lutterworth Sports Centre in October 2020. The audit was a comprehensive assessment and ensured documentation/records were in place and up to date.

**13 Consultation**

- 13.1 None.

**14 Background Papers**

- 14.1 None
- 

**Previous report(s):**

**Information Issued Under Sensitive Issue Procedure: N**

**Appendices:**

- 1. PMR Report Issued by SLM for Harborough and Lutterworth leisure Centres**
- 2. SLM Uniting Communities Through Activity**