

Healthier Communities Select Committee			
Title	Leisure contracts update		
Contributor	Executive Director for Community Services	Item	6
Class	Part 1 (open)	2 December 2014	

## 1. Summary and Purpose of Report

- 1.1 This report invites comments from the Healthier Communities Select Committee on progress made with the two leisure centre contracts, 1Life (formerly Leisure Connection) for the Downham Health & Leisure Centre; and Fusion for the other leisure facilities across the borough.
- 1.2 Set out within the report are updates on the contracts against four strategic objectives: improve health and wellbeing and tackle inequalities; contribute to community cohesion; contribute to the regeneration of the borough; and employment for local people.
- 1.3 There is also a more general update on the operational performance of the contractors – focussing on the priority issues concerning Officers and Members. The annual reports from both operators for the year 2013/14 are attached as appendices.

## 2. Recommendations

- 2.1 Members of the Healthier Communities Select Committee are recommended to note and comment on the contents of the report.

## 3. Background and History

- 3.1 The borough's leisure facilities are managed on behalf of the Council by two contractors, Fusion Lifestyle and 1Life (formerly Leisure Connection).
- 3.2 On 1 June 2011, Mayor & Cabinet (Contracts) approved the award of the Leisure Services Contract to Fusion Lifestyle for a period of fifteen years. The contract commenced on 15 October 2011 with immediate transfer of The Bridge Leisure Centre, Ladywell Arena, Ladywell Leisure Centre and Wavelengths Leisure Centre.
- 3.3 In addition to these leisure centres, previously managed by Parkwood Leisure, the contract has since included the new centre on Loampit Vale (Glass Mill), Forest Hill Pools, Forest Hill School Sports Centre and the Warren Avenue playing fields. Bellingham Leisure and Lifestyles Centre finally transferred to Fusion 1<sup>st</sup> February 2014.
- 3.4 Fusion Lifestyle is a registered charity and as such is required to demonstrate charitable objectives. According to their website their objective is "to deliver high quality sport, health and wellbeing services that are inclusive and accessible to all without stigma or inequity. In particular we overcome barriers to participation, including socio-economic, age, gender, disability, cultural and ethnicity".
- 3.5 Downham Health & Leisure Centre opened in March 2007, and is managed by 1Life (formerly Leisure Connection Ltd) operating through an Industrial and Provident Society (IPS) or trust, Downham Lifestyles Limited. According to their new Managing Director this rebranding exercise has been undertaken in order to "align ourselves with and capture the aspirations and objectives of our clients and reflect our ethos as a provider of a wide range of services including health and wellbeing, sports and physical activity, and arts and culture".

- 3.6 1Life have a 32 year contract through a PFI. The centre includes health care facilities, library, community hall, and leisure services (including a 25m swimming pool, teaching pool, gym, studios, floodlit AstroTurf and multi use games area, and playing fields). The Citizens Advice Bureau is now located in the building.

#### 4. Policy Context

- 4.1 Lewisham's Sustainable Community Strategy 2008 – 2020 '*Shaping our Future*' reflects the many individual strategies and plans endorsed by different agencies and partnerships in Lewisham. All are working with our citizens to build a successful and sustainable future. The key principles of this strategy are reflected throughout the new leisure contract to ensure regular delivery to local residents over the life of the contract.

These key principles are:

- Ambitious and achieving – where people are inspired and supported to fulfil their potential
- Safer – where people feel safe and live free from crime, antisocial behaviour and abuse
- Empowered and responsible – where people are actively involved in their local area and contribute to supportive communities
- Clean, green and liveable – where people live in high quality housing and can care for and enjoy their environment
- Healthy, active and enjoyable – where people can actively participate in maintaining and improving their health and well-being
- Dynamic and prosperous – where people are part of vibrant communities and town centres, well connected to London and beyond.

#### 5. Leisure Contracts Update

- 5.1 The key strategic areas of influence for the leisure contracts are as follows:

- to improve health and wellbeing and tackle inequalities
- to contribute to community cohesion
- to contribute to the regeneration of the borough
- employment for local people

Progress against each of these are set out below.

##### 5.2 Improve health and wellbeing and tackle inequalities

- 5.2.1 A key objective of the two leisure contracts and the borough Sports Plan is to increase participation in sport and physical activity by local residents, through the use of the leisure facilities.
- 5.2.2 **Participation:** General participation of the Fusion leisure centres has increased significantly during the 2013-14 period: the number of people using all the facilities increased to 1,099,032 during these 12 months (846,963 in 12/13). This was helped in no small measure by the addition of Bellingham (February 2014) and the replacement of Ladywell Leisure Centre by Glass Mill (June 2013). Participation across target groups has also been extremely positive during this 12 month period, with 150% increase by over 60s; 179% increase by disabled users; 202% increase by BME users; 33% increase of under-16s; and 140% of women users.
- 5.2.3 During 2013-14 a total of 455,588 visits were made to the Downham Centre; an increase of 12.5% on the previous year. The centre has made an impressive recovery after previously being affected by the opening of Forest Hill Pools. 1Life has delivered this improvement through consistently good service provision as the only physical improvement has been the gym refurbishment. The Downham contract provides a range of activities geared towards

participation of certain groups. Young people can take part in pre school sports club, trampoline and an extensive swim school programme. BME groups are targeted via the Community Liaison Manager and people with disabilities participated in Boccia and swim sessions. Adult swimming lessons were very popular and the 60+ Legacy programme had tai chi and line dancing. Particular activities are delivered specifically for women, such as Back to Netball and women only swim sessions.

- 5.2.4 **Free swimming:** Free swimming is available for residents aged 16 and under and 60+ with a Lewisham library card. Across the Fusion contract there were 29,285 free swims during 2013-14 (up 3% on the previous year) ; and at Downham 2013-14 usage matched the previous year with 18,000 visits. However, the standards of swimming amongst schoolchildren, at the point at which they begin lessons, is really poor. A piece of work will be done in the coming year to try and understand the reasons for this and to implement a targeted programme to raise standards.
- 5.2.5 **Be Active:** The Be Active card provides concessions and free access to leisure activities across the borough. Across the Fusion sites there were 30921 visits up 154%. In Downham the number of Be Active members grows month on month, with 12,125 visits to the centre since it started. Even with the increases in uptake of the scheme we feel there is still greater potential and a review is currently underway to improve the ease of use for customers, to use new technology for targeted marketing and to consider streamlined administrative structures.
- 5.2.6 **Exercise on Referral and Active Heart:** These two schemes are run jointly with NHS Lewisham and allow eligible residents experiencing health issues to be referred into tailored exercise courses by their GP or cardiac staff at the hospital. Fusion received 2166 referrals across 4 centres in 2013-14 however only 25.7% attended an initial group assessment. Completion rates are poor and work is being undertaken by Public Health to increase the percentage that complete and also to consider aligning the branding of these and similar 'lifestyle' initiatives under the Be Active umbrella.
- 5.2.7 **Health promotion & activities:** 1Life work with their partners in the Downham Health & Leisure Centre to promote healthy lifestyles. For example, free NHS health checks, Downham Celebrates, IAPT and Delicious Nutritious.
- 5.2.8 **Healthy eating:** Within both contracts there is a requirement for healthy food and healthy vending. Downham has recently installed school compliant drinks vending machines which are 80% water based; and the café has started to use local fruit & vegetable and meat suppliers. The menus at Fusion managed sites are closely monitored to ensure that healthy options are included.
- 5.2.9 **Pricing:** Working with the Council, Fusion and 1Life provide subsidised fees and charges for Lewisham residents (with a Lewisham library card) and have a pricing strategy that is highly competitive within the industry. The reduced economic circumstances of some residents is addressed particularly through the Be Active card and the Free Swim is very popular.
- 5.2.10 **Inclusivity:** Access for all is a cornerstone of both contracts. Forest Hill Pools has 'excellent' status for the Inclusive Fitness Initiative (IFI) whilst all the other Fusion sites have provisional IFI status until January 2016. Downham does not possess an IFI accreditation but is planning to work towards it. At Downham the Seals swimming club use the pool for disabled swimming sessions, and the MS Society have two targeted weekly exercise sessions. A Trans Swimming Session has recently started at Glass Mill and is attracting people from across London.

### 5.3 Contribute to community cohesion

5.3.1 Both contracts undertake a number of activities and initiatives which encourage participation, bring communities together and provide opportunities. Examples include the following.

5.3.2 Fusion support the development of a number of sports clubs; including London Thunder Basketball Club at Forest Hill School Sports Centre; Lewisham Borough Football Club, Kent Athletics Club and S Factor at Ladywell Arena; Bromley Youth Football Club at the Bridge; Saxon Crown at Glass Mill and a number of martial arts organisations at Wavelengths.

5.3.3 Fusion centres have offered additional activities through external funding. The Friday Night Project for youth across Lewisham, Croydon and Southwark has been extended from the Bridge to include activities at Glass Mill. Black History Month is celebrated each year and there was a particularly popular exhibition in Downham this year.

5.3.4 Downham Health and Leisure Centre supported a number of activities as well, including:

- Swimathon
- Girls Football Festival
- The annual 'Downham Celebrates' event
- National Bike Week
- Jimmy Mizen Spinathon

5.3.5 1Life awarded funding of over £5425 to six groups during 2013-14 including looked after children, girls and children with disabilities.

### 5.4 Regeneration of the Borough

5.4.1 Overall, the Council has viewed investment in leisure facilities as a way of regenerating town centres and offering community based facilities in densely populated and poorer neighbourhoods. These in themselves offer opportunities to promote community engagement, cohesion and healthy lifestyles.

5.4.2 **Glass Mill:** Glass Mill opened to the public at the beginning of June 2013 and is the culmination of several years of major investment in the borough's leisure facilities. Forming part of the new Barratt's Renaissance development, the leisure centre has state of the art facilities, including a 25m competition pool, 20m learner pool, 100 station gym, two studios, health suite, climbing wall, crèche, meeting room and café. There have been teething problems with the construction with a number of defects surfacing throughout the first year of operation. These have largely been resolved but the remedial works have meant some disruption to customers.

5.4.3 **Forest Hill Pools:** Forest Hill pools opened in September 2012; a brand new facility retaining its original façade. Over 1,200 people came through the doors on its opening weekend and usage numbers have remained high.

5.4.4 **Wavelengths:** The £1.5m redevelopment of Wavelengths was completed in 2013/14 transforming the building into a modern facility.

5.4.5 **The Bridge:** This centre is now the weakest in the portfolio but an extensive improvement in the offer will come shortly as a result of the application of 'lifecycle' monies to improve the customer experience and to invest in the mechanical and electrical services to ensure consistency of provision. A draft list of projects has been compiled. There will be a programme of customer engagement on the basis of this draft list before quotations are sought and works undertaken through 2014/15.

- 5.4.6 **Bellingham Leisure and Lifestyle Centre:** The site was finally integrated into the Fusion contract in February 2014 and the refurbished synthetic football pitch was launched shortly after.
- 5.4.7 **Downham Health & Leisure Centre:** Lifecycle monies are currently being spent on a major refresh of the site with redecorations throughout the building.
- 5.5 Employment for local people
- 5.5.1 The two leisure contracts provide opportunities for employment and training for local residents.
- 5.5.2 72% of Fusion staff working in the borough's centres are Lewisham residents, and 8 apprentices are studying leisure related NVQs. A range of training is provided to all staff, and a number of the courses are available to local residents where space permits.
- 5.5.3 The Council worked closely with Fusion to choose a local café provider for the new Glass Mill centre. Local café, Rhubarb and Custard won the contract, and are now also the Wavelengths and Bellingham café provider.
- 5.5.4 1Life have secured funding to enable their training provider ICON to deliver NVQ accredited courses to existing staff aged 18-24 who do not possess any formal qualifications. Teachsport will shortly be offering work experience for local unemployed people in conjunction with 1Life.
- 5.6 Operational Issues
- 5.6.1 Contact for the operators is with the Community Assets Manager who is also the Authorised Officer in relation to the contracts. There is almost daily informal dialogue with formal monthly and quarterly meetings.
- 5.6.2 The contract with Fusion is self monitoring with a requirement for the contractor to report shortcomings in service delivery against prescribed standards zone by zone. Should any shortcomings not be remedied within the specified time limit, the Council can apply financial penalties to the contractor. The level of these penalties is dictated in the contract.
- 5.6.3 A recent Internal Audit highlighted the need for the Council to seek independent assurance to protect both financial and reputational risk. As a consequence external technical monitoring of the contract on a quarterly basis has been implemented to supplement statutory compliance assessed by Corporate Asset Services. In addition the Community Assets Manager undertakes twice quarterly formal monitoring visits to each site to confirm that specified standards in the contract are being delivered.
- 5.6.4 Fusion operates a number of customer feedback mechanisms. These include speaking directly with a member of staff, filling in feedback forms (hard copy or online), attending a one to one session with the Centre Manager or attending the regular Customer Forums which are advertised in the centres and online. Attendance varies considerably reflecting the issues of the time. Fusion has recently compiled a document which outlines the standards that customers should expect from Fusion when dealing with complaints.
- 5.6.5 There is a healthy, robust, productive and collaborative relationship which is reflected in the progress the contracts have made in the last year (please see appendices for Annual reports).

#### 5.6.6 The key challenges at Fusion sites over the last year are as follows:-

1. Poor standards of cleaning – this is largely an issue at Glass Mill although several of the sites have suffered through the year. Fusion are constantly reviewing arrangements with their cleaning sub contractor and standards are still subject to fluctuation month by month, although performance is slowly improving. This is a basic housekeeping issue and both the operator and the Council are being vigilant in monitoring performance.
2. Queue management – Fusion have been slow to appreciate the volume of foot traffic at Glass Mill (particularly at peak times). Much of the problem was lack of flexibility in responding to changing demands. Fusion have now implemented a raft of initiatives which is helping with the situation – online booking for swimming lessons, additional staff on reception, buzzer to back office calling for assistance, a change in culture amongst staff so that they can assist and a self help kiosk at reception. There is still work to do here and this is another housekeeping issue which is a basic of good service delivery.
3. Telephone answering – Anecdotal and survey responses indicate customers are struggling to reach Fusion on the phone. This has been discussed at length at formal meetings. Fusion is investing in a new 030 phone number which is currently being trialled at Glass Mill to provide Fusion with greater management information to ensure that staff are deployed based upon need and to ensure that standards at least match those of the Council.
4. Complaints management – This has been a problem area with considerable feedback from customers that Fusion are not dealing with complaints effectively. Fusion are fully aware of their obligations and responsibilities and they are putting considerable effort behind improving response rates. Following a request from the Community Assets Manager Fusion have now compiled and displayed a complaints policy which outlines standards that customers should expect.
5. Defects management Glass Mill – The very many defects have disrupted service at this tremendous site which is performing very well. Late delivery of the car park, the need to replace the gym floor and much of the tiling in the wet changing areas needing replacement have contributed to disrupting service. Much of this has now been rectified.
6. Anti Social behaviour at Glass Mill - there is a multi agency problem solving action plan in place to address problems of youth nuisance in and around the leisure centre. Police have been undertaking increased patrols of the leisure centre area and neighbouring Cornmill Gardens for a number of months now and attend the centre. A number of meetings have been held in recent months between leisure centre management, council staff and local police to agree actions to address the concerns. Previous actions have included increased visible police presence, monitoring of CCTV, community safety surgeries by council staff within the centre and employment of a security guard to manage the public foyer area and deter anti social behaviour. A recent meeting was held in November where it was agreed that a number of extra measures should be looked at including involving schools, increased signage around codes of conduct, and looking at employing another security guard due to the success of this measure previously. Some of these actions have already been implemented and police and council officers will continue to work with leisure centre staff on this action plan to ensure these issues
7. The Bridge Leisure Centre – The Bridge is now the weakest site in a portfolio of fantastic facilities. The team on site are doing the best they can in keeping the facilities clean and functional but they are in a very poor state. In the coming months a large proportion of the 'lifecycle' fund will be applied to the Bridge in order to give it a facelift and improve the quality of the experience for customers. There is an extensive draft list of projects with assigned budgets which will be refined once quotations are received.

8. Wavelengths – Defects management – Following the recent improvements at this facility the final account of the project, managed by Fusion, has not been agreed. A number of long term faults, such as the lack of hot water in the dryside men’s showers has only just been rectified.

5.6.7 Downham – This site has been delivering quietly consistent and good performance which is reflected in the increase in usage. There have been minor issues around pool closures due to lack of staff which was addressed through adjusting rotas.

## **6. Financial Implications**

6.1 There are no immediate financial implications arising from this report.

## **7. Equalities Implications**

7.1 An Equalities Impact Assessment (EIA) for the Council’s leisure services specification was conducted before both contracts were tendered. A number of the actions contained within the EIA aim to deliver a positive impact on equality in the Borough. Some highlights of this include:

- Free gym inductions have been offered for the Exercise on Referral and Active Heart programmes; and subsidised access for Be Active members.
- Specific single sex sessions are being programmed including the continuation of the successful ‘women’s only’ evening at Forest Hill pools.
- Free access to facilities for national sportsmen and women of all ages is being provided for the duration of the contract (FANS scheme).
- 50 hours of free access per year is being utilised by the Council’s sports & Leisure Service. Emphasis will be placed on delivery of activities for the equalities groups listed within the EIA.

## **8. Legal Implications**

8.1 There are no legal implications arising from this report.

## **9. Conclusion**

9.1 Through the borough’s two leisure providers, Fusion and 1Life (formerly Leisure Connection), the Council can provide many benefits to local people such as; employment, state of the art facilities, subsidised and free activities for those most in need, and health improvements. Continuous monitoring and working in partnership with the two contractors will ensure continued benefit for local people.

If there are any queries on this report please contact David Walton, Community Assets Manager on 020 8314 8256.