

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - COMMUNITY 15 JANUARY 2013

PARKWOOD LEISURE MANAGEMENT CONTRACT

1 PURPOSE OF REPORT

- 1.1 To report to Members on the performance of the Parkwood Leisure, Management Contract for year two, October 2011 to September 2012.

2 BACKGROUND

- 2.1 The new Leisure Management Contract commenced on 29 September 2010 and included the following sites:
- Clifton Hill Sports Centre
 - Exeter Arena
 - Northbrook Approach Golf Course
 - Northbrook Swimming Pool
 - Pyramids Swimming and Leisure Centre
 - Riverside Leisure Centre
 - Wonford Sports Centre
- 2.2 On 1 December 2010 the Isca Bowls and Bridge Centre was included within the Leisure Management Contract.
- 2.3 The current contract is a ten year agreement expiring in 2020. There is an option to award an extension of up to five years.

3. CONTRACT PERFORMANCE REVIEW FOR YEAR TWO

- 3.1 The Leisure Management Contract is monitored using a number of methods, including the provision of Key Performance Indicators (KPI), regular monitoring meetings and visits to facilities.
- 3.2 The contract requires Parkwood Leisure to provide the Council with KPI's on a weekly, monthly and annual basis to enable the Council to monitor performance and ensure contractual compliance. The KPI's include the following that may be of particular interest to Members.
- 3.3 Customer comments are a very important method in monitoring satisfaction levels of customers at the facilities. At the beginning of this year Members raised concerns about the lack of comments being received from customers. Working with Parkwood management an emphasis has been placed on providing a range of opportunities for customers to comment both negatively and positively on the facilities and service.

Each facility now hosts a designated 'Customer Notice Board' providing information to customers on how to comment on the service and relaying information back to customers on issues arising at the facility. Comments are gathered and recorded from various sources including:

- Comment Cards located adjacent to the Customer Notice Boards
- On line comment through the Parkwood Leisure website

- Email
- Letters
- Verbal

3.4 The implementing of the notice boards and additional focus on recording comments has seen a significant rise in customer comments, including a good proportion of positive comments about the service. Appendix A, provides a summary of the customer comments received during year two of the contract. The increased focus by Parkwood Leisure in recording all comments particularly verbal comments has seen the number of recorded comments raise from one 160 in year one of the contract to 368 in year two. This represents an overall increase of 208 recorded comments over a twelve month period.

3.5 In relation to the nature of comments, the subject that attracts the highest proportion of comments is maintenance with a particular focus on broken lockers. The contract requires that no more than 10% of lockers within any facility are out of action at any time. Another frequent comment is about environmental issues and specifically relates to temperatures of air and water. This is always a very difficult subject as one customers perception of the temperature of a swimming pool can be very different to another when applying factors such as their age and type of activity they are participating in. The swimming pool water is maintained at temperatures recommended by governing bodies and set at a temperature that is favourable for the majority.

The least frequent comments received are about health and safety, staff and cleaning.

In addition Parkwood Leisure have undertaken customer surveys and this will be reported on during their presentation to the Committee.

3.6 The Council monitors the number and types of accidents and incidents recorded at the leisure facilities which are reported to the Council's Health and Safety Advisor. There has not been a significant increase overall in accidents in year two of the contract compared to year one.

3.7 Appendix B, provides a summary of the accidents and incidents reported during year two of the contract. In recording these accidents the Council ask Parkwood Leisure to state specifically what the nature of the injury was and what was the causative agent.

The two most frequently recorded types of accidents are to the face/head and leg/foot/knee. This is very reflective of the type of activities at the facilities particularly contact sports like football. The most frequent causative agent is a person falling, again as a direct result of the type of sports on offer within the facilities.

3.8 The Riverside Leisure Centre recorded the highest proportion of accidents, which is not surprising given its size, volume of customers and variety of activities on offer. The second is the Pyramids which has seen a significant increase probably reflective of improved reporting procedures with the Exeter Arena in third. Members may be surprised that the Exeter Arena is quite high as there are limited contact sports held there but athletics does incur a lot of trips and falls particular when undertaking events like hurdles, steeple chase and pole vaulting.

The facilities recording the lowest accident rates are the Northbrook Golf Course with no reported accidents and the Isca Bowls and Bridge Centre which only recorded three accidents in twelve months.

Overall 355 accidents from 613,000 customers represents a very good safety record.

- 3.9 The Council monitors customer attendances at the facilities; attendances historically tend to fluctuate and can be influenced by sporting, social and economic trends. Examples of these trends would include:

- Sporting Trends – These could be influenced by the Olympics, Wimbledon, Football World Cup and new exercise crazes such as Zumba.
- Social Trends – These could be influenced by popular culture including music, clothing and electronics. An example of this would be electronic games that are played by many children rather than playing sport.
- Economic Trends – These will be influenced by unemployment, wages and prices

- 3.10 Appendix C, provides a summary of the customer attendances during year two. There has been a significant increase in attendances compared to year one, with an overall increase of 58,000 customers.

The largest increase has come at the Riverside Leisure Centre with a rise of 54,000 customers in comparison to year one. Other significant increases have come at the Pyramids Swimming Centre. Despite its aging condition it still remains a popular destination and the Isca Bowls and Bridge Centre with again a significant rise in usage since Parkwood Leisure took on the management of the facility from the previous operators.

- 3.11 There have been some decrease at other facilities but this can sometimes be related to customers migrating to other facilities with newer fitness suites. Over the first three years of the contract all the fitness suites will be replaced but this has been a planned programme. Next year Clifton Hill and Wonford Sports Centre will have their fitness suites replaced. The reduction in customers at Northbrook Golf Course is primarily down to the poor weather conditions experienced over the summer with prolonged flooding on the grounds around the stream that passes through the facility.

- 3.12 The contract requires that Parkwood Leisure organise and host a minimum of two Customer Forums per annum at each facility. Northbrook Golf Course has been excluded from this requirement due its size and seasonal operation.

During year two of the contract this requirement was met but the response from customers has been disappointing. The Forum is an opportunity for customers to voice their concerns and suggestions directly to the Manager on the service provided. Officers and Members have attended Forums to monitor and listen to the views of the customers.

With the disappointing attendances consideration is being given to next years Forums which have already been advertised on the Customer Notice Boards. One consideration is to develop customer focus groups to concentrate on specific issues rather than just the open shop approach that has proven to be unsuccessful.

- 3.13 As previously stated Parkwood Leisure provide the Council with a number of KPI's. The list is not exhaustive and provides the Council with the opportunity to request additional information if it will assist in the monitoring process or to reduce information if it is not a useful tool.

Further examples of these would include:

- Sports Development Plan; the Council sets annual activity targets. This includes identifying minority sports for Parkwood Leisure to develop at grass roots level.
- Non Core prices; the Council set core prices through their fees and charges process. Core prices are “pay and play activities” within the leisure facilities such as casual swimming, casual badminton and squash. Parkwood Leisure set their own non core prices which are agreed with the Council annually and would include Memberships, swimming lessons and fitness activities.
- Marketing Plan; Parkwood Leisure provide the Council with their annual marketing plan, This is assessed along with the quality of their advertising literature and websites to ensure that the facilities in Exeter are being promoted professionally and are portraying the right image on behalf of the Council.
- Staff Structures & Qualifications; the Council monitor staffing to ensure that all staff working within the contract possess the minimum industry standard qualifications.
- Swimming Pool Water Quality, pool water test results are submitted weekly to the Council for monitoring and assessing of industry standards. These results are held centrally by the Leisure Facilities Manager and are available to other Council Sections such as Environmental Health.

3.14 The role of the Leisure Facilities Manager is to monitor the information provided by Parkwood Leisure and when necessary investigate and challenge issues that are not or appear not to be complying with the management contract. The role is not to micro manage the facilities but to ensure the facilities are being managed and operated at least within the contractual agreement.

An example in the last year has been staff qualifications. The Leisure Facilities Manager identified roles within the facilities that were not complying with contractual standards and industry guidelines. Following an investigation and review, measures to ensure compliance and where necessary clearer qualification criteria have been agreed with Parkwood Leisure that will ensure that all staff are meeting and are qualified to the standards required, and that appropriate records are kept to confirm the position.

4. PARTNERSHIP DEVELOPMENT

4.1 The Council have been working with Parkwood Leisure in partnership to enhance and develop the service and facilities for customers to exceed the minimum requirements set out in the contract. Examples of these initiatives during year two of the contract are included below:

4.2 Club Mark is a national cross sport accreditation scheme for clubs. It is built around a set of core criteria which ensures that accredited clubs operate to a set of consistent accepted and adopted minimum operating standards. The scheme was introduced this year within the Parkwood sites and offers all accredited clubs a 10% discount on facility hire for training purposes. Exeter is the only Council in the South West offering this incentive.

4.3 Being an accredited club carries a number of benefits including:

- Increased Membership - Addressing issues like equity and child protection gives parents confidence when choosing a club for their children.

- Retention of Members - Clubmark stimulates real thought about how clubs cater for junior and all members. The culture it promotes boosts the morale of players and ensures that volunteers are recognised for their contributions.
- Continues Improvement - Accreditation encourages a club to adopt better, more organised systems and structures, thus helping them to run more effectively and efficiently.
- Funding - Many funding bodies state that applicants must be Clubmark accredited or working towards.
- Facilities - More and more local authorities and other leisure operators give priority-booking slots to Clubmark accredited clubs. Some also offer discounted rates for facility hire.
- Developing Coaches - As part of Clubmark, clubs are entitled to receive help to develop the skills of coaches. This, in turn leads to better quality provision and improved player performance. Parents can be confident that appropriately qualified coaches are deployed.
- Volunteers - Clubmark promotes a volunteer culture where hard work and dedication is recognised. Once accredited, clubs find more people are keen to get involved, especially parents.
- Links with Schools - Increasingly, schools are looking for guarantees of quality and the presence of child- friendly systems and procedures. Clubmark clubs are normally the first invited to work with local schools and schools are being encouraged to signpost pupils to Clubmark clubs.
- Raised Profile - Clubmark is a highly valued accreditation. As well as raising the profile with local authorities, NGBs and other sporting and community bodies, all accredited clubs are listed on a national database and in other directories, to help them to publicise what they do, attract new members and grow.
- Marketing & Communication - Clubmark gives clubs the confidence to promote themselves. All Clubmark clubs can access the Clubmark member's area, utilise the Clubmark logo and take advantage of other brand resources as well as bespoke information to help generate more publicity. The universal brand, recognising quality clubs across more than 30 sports is a really valuable marketing tool.
- Club Development - The foundation for any club is its youth structure. The Clubmark accreditation process is designed to assist clubs to attract and cater for young members, and build a strong future.

4.4 Working in partnership has enabled the introduction of this scheme and provide assurance to customers joining clubs at the facilities that minimum standards such as child protection have been implemented. Since the introduction of the scheme by Parkwood Leisure there has been a very positive response from the clubs.

Within the leisure facilities there are 31 clubs who are eligible to sign up for Club Mark. Currently 10 of the clubs have achieved Club Mark accreditation and are already

receiving the benefits of the award, other clubs are currently working towards the accreditation.

- 4.5 Combined funding through partnership working has enabled the refurbishment of the changing rooms at Wonford Sports Centre. This has included complete refurbishment of the showers, changing areas and toilets. The improvements will help to improve the overall service provided at the facility and is in direct response to customer comments received.
- 4.6 The Council operates an X Card scheme that offers discounted use of the leisure facilities during off peak times. The X Card is available to residents of Exeter who have a limited income and is designed to remove financial barriers to participation in sport. In partnership with Parkwood Leisure the Council have been able to develop the scheme this year to offer X Cards to children in care in the City. Over 1000, X Cards are sold annually and during year two of the Leisure Management Contract there were 9,000 visits to the facilities from customer holding an X Card.

5. Parkwood Leisure Working Group

- 5.1 Earlier this year following concerns from Members of the Scrutiny Committee about a number of complaints received from customers, a Working Group was established consisting of Members, Officers and representatives of Parkwood Leisure. The objective of the Working Group was to enable Members to have an understanding of the issues associated with the contract and meet directly with representatives of Parkwood Leisure.

- 5.2 The terms of reference for the Group are as follows:

*To work with Parkwood Leisure to develop its service and enhance its facilities achieving a level of service for customers well above the contractual baseline.
To monitor contractual issues, monitoring customer comments and relevant action taken and agreeing improvement initiatives.*

- 5.3 The Working group is now well established and has met regularly with Parkwood Leisure during the year. This has provided opportunities for Members to monitor customer comments and seek clarification directly from the contractor on the reasons for the comments and gain a good level of understanding to the problems that contribute towards customer dissatisfaction.
- 5.4 The Working Group has also been pursuing the development of Service Improvement Plans for each of the facilities. Parkwood Leisure will outline these as part of their presentation to the Committee. The aim of these plans is to set out how the contractor will develop services at the facilities to meet the growing expectations of their customers.

The Leisure Management Contract defines a base level of service that any contractor would be expected to achieve. With the ongoing partnership working between the Council and Parkwood Leisure the expectations of the service is to deliver a first class service to Exeter that not only exceeds the requirement of the contract but meets the expectations of the customers.

- 5.5 As part of the contract Parkwood Leisure are required to obtain and maintain Quest Accreditation. All the facilities with the exception of Northbrook Golf Course have achieved Quest Accreditation in the last twelve months.

Quest is an independent audit of the facilities customer service and operational standards and is nationally recognised within the industry. All the facilities have been awarded a status of either satisfactory or good during their first assessment since Parkwood Leisure took on the contract. It is envisaged with the introduction of the customer focused service plans the facilities will endeavour to improve their Quest status and strive towards excellence with an ever improving accreditation rating. Facilities achieving an excellent status would be in the top quartile of leisure facilities in the country.

6 FINANCIAL INFORMATION

- 6.1 The following provides a headline summary of the financial information of the contract. More detailed information can be provided but it has to be treated as confidential in view of the contractual and competitive nature of the contract.
- 6.2 In year one of the contract, Parkwood Leisure paid the Council £180,349 to manage the contract. In year two following a management fee adjustment in line with RPI and the Council's contractual contribution to utility price adjustments Parkwood Leisure paid the Council £175,701 to manage the contract.
- 6.3 The net income Parkwood Leisure received from managing the facilities in year one was £2,945,000 and in year two the net income was £3,081,000.
- 6.4 Since the Parkwood Leisure contract commenced in October 2010 the cost of operating leisure facilities in the city has reduced. Under the previous leisure management operator the cost per head for the residents of Exeter for their Leisure Services was £13.26p. In the current financial year the cost per head is £7.40p. This is based on the population listed in the 2011 census of 117,800.

7 RECOMMENDED

- 7.1 That Scrutiny Committee note the content of the report and explore with Officers or with the Parkwood Leisure employees present any issues or comments they may wish to raise.

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Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-

S:PALP/113SCC8
Date: 3.1.13