

**EXETER CITY COUNCIL**  
**SCRUTINY COMMITTEE - COMMUNITY**  
**8 NOVEMBER 2011**

**REPORT ON YEAR ONE OF THE NEW LEISURE MANAGEMENT CONTRACT WITH  
PARKWOOD LEISURE**

**1 PURPOSE OF REPORT**

- 1.1 To report on the first year of performance of the New Leisure Management Contract with Parkwood Leisure.

**2 BACKGROUND**

- 2.1 In 2009 the Council formally tendered for the management of seven leisure facilities.
- 2.2 Following the submission of tenders and evaluation of the price and quality assessment the New Leisure Management Contract was awarded to Parkwood Leisure.
- 2.3 Under the terms of the original submission the Council received a payment from Parkwood Leisure to manage our facilities on our behalf. Members will be aware that the previous Leisure Management Contractor required the council to pay for it to manage the facilities
- 2.4 The New Leisure Management Contract commenced on the 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
- 2.5 On the 1 December 2010 the Isca Bowls and Bridge Centre was included within the Leisure Management Contract and Parkwood Leisure agreed to pay the Council an additional amount to manage the facility on our behalf thereby further increasing the annual management fee..
- 2.6 In addition to the management fee paid to the Council, Parkwood Leisure also pay profit share and are exempt from NNDR providing additional savings to the Council.
- 2.7 The Council have undertaken a shared responsibility with the Contractor for maintenance responsibilities.
- 2.8 The Council has undertaken a shared risk with energy costs.

### **3. CONTRACT REVIEW FOR THE FIRST YEAR**

#### **Initial issues for Parkwood**

- 3.1 At the commencement of the contract Parkwood Leisure had a number of issues that had been inherited from the previous contract.
- (i) The TUPE list provided by the previous contractor had been incomplete, this resulted in excess staff transferring which had not been accounted for in the bid. Parkwood Leisure absorbed these extra staff within their contract and found appropriate employment opportunities for all of them.
  - (ii) Dilapidations works had not been completed by the previous contractor resulting in higher than anticipated repair costs at the beginning of the contract. The previous contractor was subject to a fixed maintenance financial limit and therefore was except from any liability.
  - (iii) Dilapidations works by the previous tenants of Riverside Leisure Centre, were not completed. A dilapidation claim has been submitted against them through the Council's Legal Section. In the meantime both the Council and Parkwood Leisure are financing essential repair works.

#### **Specific Issues previously raised in relation to the current contract:**

##### *Lockers*

##### Issue

- 3.2 There are concerns to the number of lockers out of use at the Riverside Leisure Centre. This has previously been addressed with Parkwood Leisure as the contract specifies that no more than 10% of lockers within the centre should be out of action at any one time.
- 3.3 Lockers in wet areas are always an issue due to their mechanical operation. Water in the locks causes rusting and eventual seizing of the lock, once this has happened the only way to enter the locker is to force entry resulting in the need to replace the lock at a cost in the region of £70 unit.

##### Resolution

- 3.4 Parkwood are looking to replace all the locks in the health suite with manufacturer specific hasp and clasp locks, this area is used primarily by members only and padlocks will be provided for the lockers or members can provide their own, this is common practice in private health suites.
- 3.5 An order has additionally been placed for replacement locks for the village change area and is expected imminently.

##### *Parking at Riverside Leisure Centre*

##### Issue

- 3.6 Concerns have been raised to parking facilities in the retail car park at the Riverside Leisure Centre on completion of the new Marks and Spencers outlet on the retail park.

### Resolution

- 3.7 The Riverside Leisure Centre car park to the rear of the facility can accommodate 76 vehicles; during off peak sessions this car park is sufficient to accommodate most of the centres customers.
- 3.8 During peak times additional parking is required and under the terms of the retail park lease customers of the Leisure Centre are permitted to use the retail park car park as long as they adhere to the rules of the car parks management, this is a maximum parking limit of one hour forty five minutes. We will however be monitoring the situation and if problems do occur we will discuss with Parkwood the option of issuing permits

### *On-Line Bookings*

#### Issue

- 3.9 Concerns have been raised that the facilities on-line booking system provides too much priority to customers who are computer literate and therefore discriminates against elderly customers.

#### Resolution

- 3.10 The contractor is contractually required to provide an on-line booking system for customers of the leisure facilities. Users without computer access can still book up to a week in advance which mitigates any issues for them.

### *Legionella*

#### Issue

- 3.11 During routine water biological testing at Exeter Arena, legionella was detected in showerheads within the changing rooms. As a precaution the changing rooms were closed whilst the showers were flushed and cleaned, then retested.
- 3.12 Unfortunately this did not eradicate the problem and further investigation was undertaken to resolve the issue.

#### Resolution

- 3.13 It was identified that the mixer unit for all of the showers at the Arena totalling 30 was in the plant room and at furthest point had a 25 metre run before it reached the shower heads. Current legislation states that the mixer unit should be as close to the shower heads as possible and ideally no more than 4 metres.
- 3.14 Parkwood undertook the replacement of the pipework and mixer units to meet this requirement. This unforeseen work did result in the closure of the changing room showers for a longer than anticipated period.

### *Closure of the Pyramids Swimming Centre Due to Green Water*

#### Issue

- 3.15 In September 2011 the main pool at the Pyramids Swimming Centre turned a light green colour. As a precaution the pool was closed whilst appropriate action was taken to identify the cause and rectify the problem.

- 3.16 A report from the Technical Manager from Parkwood Leisure has been received but despite extensive investigations no cause of the problem was identified.

### **Contract Performance**

- 3.17 At the time of writing this report the contract had just concluded its first twelve month period that is the 29 September 2010 – 28 September 2011. Therefore complete end of year information is not currently available.
- 3.18 The contract is monitored by a number of methods and these combined ensure that we can establish a good working partnership with Parkwood Leisure and these good working relationship will enable the contract to develop and incorporate additional benefits to the customers.

The key methods of monitoring include.

- (i) Formal Monthly Client and Contractor Meetings.
- (ii) Regular informal meetings to review issues.
- (iii) Tours of facilities.
- (iv) Provision of Key Performance Indicators (KPI) as outlined within the contract, these include:

#### Weekly

- Pool Water Tests Results
- Environmental Monitoring Information

#### Monthly

- Customer Comments
- Customer Attendances
- Accident/Incidents
- Utility Usage
- Bacteriological Water Analysis

#### Annual

Throughout the year Parkwood provide a fully comprehensive list of information for the Council as required in the contract.

- 3.19 In addition to these, in the coming year mechanisms will be put in place for sports clubs using the facilities to feed back directly to the Council. At the time of writing this report a number of KPIs were not available in a completed annual format for the first year of operation. It will be not be possible to make comparisons between this data and information we hold on the previous contract so trends will only start to become visible in year 2 of the contract. Once data for the first year is availability it will be put on the intranet for Members to view and raise any questions.

### **Contract Benefits**

- 3.20 The success of the initial working partnership has enabled the Council to incorporate Club Mark into the Leisure Management Contract.
- 3.21 Club Mark is a National Accreditation that can be obtained by clubs and organisations, it ensures that accredited clubs are fully audited by an independent organisation and ensures that issues such as child protection are addressed by the club. It also provides avenues for funding and training for coaches and helps to assist in the overall development of the club.

3.22 With the agreement of Parkwood Leisure any club achieving the accreditation will receive a 10% discount off their training venue charges to encourage participation in the scheme; we are the only authority in Devon offering this to our clubs.

#### **4 PROPOSAL**

4.1 Whilst there have been some issues this is only to be expected with a change of contractor. Given the scale of the contract the first year of the contract has been largely successful. A number of the issues need to be resolved and further work undertaken to build a sustainable working relation between the Council and Parkwood Leisure.

#### **5 RECOMMENDED:**

5.1 That the Scrutiny Committee – Community note the content of this report and a further report be presented in a year's time to enable meaningful performance comparisons to be made

#### **HEAD OF CONTRACTS AND DIRECT SERVICES**

S:LP/Committee/1111SCC12  
20.10.11

#### **COMMUNITY & ENVIRONMENT DIRECTORATE**

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**