

Overview & Scrutiny Committee

Monday 8 July 2024

A meeting of the above Committee will be held in Shire Hall, Market Place, Warwick on Monday 8 July, at 6.00pm.

Councillor A Milton (Chair)
Councillor D Armstrong (Vice-Chair)

Councillor H Adkins
Councillor A Barton
Councillor M Collins
Councillor A Day
Councillor D Harrison

Councillor M Luckhurst
Councillor J Payne
Councillor P Redford
Councillor D Russell
Councillor C Wightman

Emergency Procedure

At the commencement of the meeting, the emergency procedure for Shire Hall will be announced.

Agenda

1. Apologies & Substitutes

- (a) to receive apologies for absence from any Councillor who is unable to attend; and
- (b) to receive the name of any Councillor who is to act as a substitute, notice of which has been given to the Chief Executive, together with the name of the Councillor for whom they are acting.

2. Declarations of Interest

Members to declare the existence and nature of interests in items on the agenda in accordance with the adopted Code of Conduct.

Declarations should be disclosed during this item. However, the existence and nature of any interest that subsequently becomes apparent during the course of the meeting must be disclosed immediately. If the interest is not registered, Members must notify the Monitoring Officer of the interest within 28 days.

Members are also reminded of the need to declare predetermination on any matter.

If Members are unsure about whether or not they have an interest, or about its nature, they are strongly advised to seek advice from officers prior to the meeting.

3. **Minutes**

To confirm the minutes of the meeting held on 4 June 2024. **(To follow)**

4. **Appointments to the Budget Review Group**

To appoint the Labour Group Councillor to the Budget Review Group for the Council for 2024/25 municipal year.

5. **Appointment of Children's and Adults' Safeguarding Champion**

To appoint a Member of Overview & Scrutiny Committee as the Council's third Children's and Adults' Safeguarding Champion.

6. **Leisure Services Provider 2017**

To consider a report from Safer Communities, Leisure, and Environment.
(Pages 1 to 50)

7. **Work Programme, Forward Plan & Comments from Cabinet**

To consider a report from Governance Services. **(Pages 1 to 13)**

8. **Cabinet Agenda – (Non-Confidential Items and Reports) – Wednesday, 10 July 2024**

To consider the non-confidential items on the Cabinet agenda which fall within the remit of this Committee. The only items to be considered are those which Committee Services have received notice of by 9.00am on the morning after Group meetings.

(Circulated Separately)

9. **Public & Press**

To consider resolving that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

10. **Cabinet Agenda – (Confidential Items and Reports) – Wednesday, 10 July 2024**

To consider the confidential items on the Cabinet agenda which fall within the remit of this Committee. The only items to be considered are those which Committee Services have received notice of by 9.00am on the morning after Group meetings.

**(Circulated separately)
(Not for publication)**

11. **Confidential Appendix to Item 6 - Leisure Services Provider 2017**

To note the confidential Appendix.

**(Page 1)
(Not for publication)**

General Enquiries: Please contact Warwick District Council, Town Hall, Parade, Royal Leamington Spa, CV32 4AT.
Telephone: 01926 456114
E-Mail: committee@warwickdc.gov.uk

For enquiries about specific reports, please contact the officers named in the reports. You can e-mail the members of the Committee at standscommittee@warwickdc.gov.uk

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Title: Leisure Services Provider 2017

Lead Officer: Ann Hill, Sports, and Leisure Contracts Manager, ann.hill@warwickdc.gov.uk
01926 456226

Portfolio Holder: Councillor Sinnott

Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	19/06/24	Cllr Sinnott
Finance	19/06/24	Dilip Dabasia
Legal Services		Kathryn Tebbey
Chief Executive	19/06/24	Chris Elliott (CE)
Director of Climate Change	19/06/24	Dave Barber
Head of Service(s)	19/06/24	Marianne Rolfe
Section 151 Officer	19/06/24	Andrew Rollins
Monitoring Officer	19/06/24	Graham Leach
Leadership Co-ordination Group		

Final decision by this Committee or rec to another Cttee / Council?	No
Contrary to Policy / Budget framework?	No
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	Yes – Appendix 2
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No
Accessibility Checked?	Yes

1. Summary

The report outlines the current contract, delivery arrangements and performance of the Everyone active contract over its duration to date.

2. Background

- 2.1 An Options Appraisal, commissioned by Warwick District Council (WDC) and undertaken by Strategic Leisure commenced in February 2014. The appraisal undertook a detailed analysis of the leisure service provided at the time by WDC and the environment within which it was operating. It evaluated the then current performance from a user and financial perspective and compared this with industry benchmarks.
- 2.2 The potential options for future management arrangements for the service were evaluated alongside the opportunities to invest in the service to deliver the vision and objectives agreed by elected members as part of the review of the service.
- 2.3 The recommendations received from Strategic Leisure outlined an opportunity for WDC to transform the then service and bring it up to modern standards, fit for purpose for the future, and realise significantly improved financial returns for the Council. Emerging from the approved recommendations to seek an external operator for the leisure centres and commit to capital investment in the leisure centres, came the Leisure Development Programme.
- 2.4 This programme of work included the refurbishment and expansion of St Nicholas Park Leisure Centre and Newbold Comyn Leisure Centre in 2018, and the planning for the rebuilding of Castle Farm Recreation Centre (which was opened in 2023) and Abbey Feilds Leisure Centre. Abbey Fields Leisure Centre is currently in the process of being rebuilt and is programmed to open late 2026.
- 2.5 Alongside the physical improvements in the Council's leisure stock, a comprehensive procurement exercise took place to outsource the operation of the leisure facilities during 2016 to an identified external operator. This led to a contract being awarded to Everyone Active (Sports and Leisure Management Ltd) in 2017.

2.6. Summary of the Everyone Active Contract

- 2.6.1 In June 2017 Everyone Active began to manage, operate and develop the authority's leisure facilities. The facilities are as follows:

- Newbold Comyn Leisure Centre, Leamington Spa – Refurbished in 2018
- St Nicholas Park Leisure Centre, Warwick – Refurbished in 2018
- John Atkinson Sports Centre, Myton School, Warwick – Dual use site
- Castle Farm Leisure Centre, Kenilworth – reopened in December 2023 after redevelopment. (Traded 2017-2021 prior to closure for refurbishment)
- Abbey Fields Leisure Centre, Kenilworth – currently closed for redevelopment. (Traded 2017-2021 prior to closure for refurbishment)
- Meadows Sports and Community Centre, Kenilworth School, Kenilworth - closed September 2023 (Traded 2017 to 2023)
- Oakley School, Leamington Spa- Dual use site due to open in October 2024

2.6.2 A full list of services is outlined in the specification and was written to meet community need and contribute to the achievement of the Authority's corporate priorities at the time of procurement.

3. Contract Developments

3.1 Pre-Pandemic

3.1.1 On 1st June 2017 Everyone Active began operating the Warwick District Leisure sites. This is a 10-year contract with an option to extend a further 5 years. Everyone Active are a national company founded in 1987 and have an established record of quality leisure provision. The company currently manage 240 leisure facilities in partnership with 68 local authorities.

3.1.2 The first three years of the Warwick contract, as agreed in the business plan, were focussed on establishing the business by reaching out to residents, establishing local contacts with clubs and partners, and building relationships with the relevant WDC officers. This initial period was considered successful and set the contract off on a sound footing.

3.2 During Covid Pandemic

3.2.1 The Covid pandemic in 2020 had a major impact on the WDC leisure contract. The same trend was reflected all over the country with many facilities struggling to remain open. According to findings from the District Council Network (DCN) over 100 leisure centres across the country were forced to close due to lack of funds, and nearly 60% of district councils considered closures and the research said that they would be forced to close centres if government funding was not available.

3.2.2 DCN led a campaign to call on government to increase the support that was being offered to these vital community services and facilities to ensure that they

survived the pandemic and return to a pre-COVID state as soon as possible. The requests made by DCN were:

- a financial package for leisure centres in addition to the Sport England National Leisure Recovery Fund
- that district councils were represented on the recreation and sport taskforce chaired by DCMS (Department of Culture Media and Sport)
- that a national leisure strategy focussed on the role of leisure services in combatting obesity and mental health was formed.
- that a full evaluation of the establishment, administration, and delivery of the NLRF was undertaken and that a compensation scheme to compensate councils for lost sales, fees and charges was set up.

3.2.3 Sport England and government recognised the vital role that gyms and leisure centres play in helping people to be active. Studies show that preventing people from taking part in organised exercise has resulted in falls in cardiorespiratory fitness levels and weight gain, the two risk factors causing worse COVID-19 symptoms. As evidence mounted, being overweight or obese, and/or having low cardiorespiratory fitness were acknowledged as being likely to worsen COVID-19 outcomes and affect mental health. If there had been another break in provision of leisure services, the cost to health in Warwick District and nationally would have been immense.

3.2.4 The events that have affected the operation and financial position of the contract are external forces. I.e. Covid 19, high energy prices and cost of living crisis. Although these can be planned for, the extent and adverse effects to the leisure industry would have been impossible to predict at tendering and contract award

3.3 Post Pandemic

3.3.1 When industry recovery from Covid 19 was beginning to gain momentum, leisure providers were being hit hard by rising utility costs and the recent cost of living pressures on households which adversely impacted consumer confidence, throughput, and participation rates. This now became a pressing issue for most councils and leisure operators to address leading to most local authorities being forced to review existing arrangements and future options to ensure the viability of the sector.

3.3.2 Generally, leisure services run on low margins to ensure inclusivity, accessibility and cater for wider local need. Officers recognised that the energy issue was now reaching a point where there was a significant risk of facility closures or reduced opening hours. Discussions therefore were undertaken between officers, elected members and Everyone Active to attempt to mitigate the risk. As its realisation would negatively impact on the health and wellbeing of local communities, the recovery and future viability of the sector and a loss of income for the Council, making this issue more than a cost saving exercise.

3.3.3 The following list outlines some of the mitigations introduced following discussions between officers and Everyone Active. These were determined to be in the best interest of the council and, in the long-term, our communities, in line with the council's public health, decarbonisation, and levelling up and economic strategies.

- Regular review meetings were held with the operator to monitor and jointly manage the overall performance with a focus on financial performance. Everyone Active were fully transparent about the true cost of the service with their council partners.
- WDC worked with EA to agree operational and contractual flexibility to help reduce and control utility costs. This included:
 - operating parameters: i.e. pool temperature / building temperature.
 - considered and supported reduced opening hours where required.
 - considered reviewing pricing.
 - reduced costly programmes and services if not a key priority.
 - gave operational freedoms in terms of some non-viable/low priority contractual requirements.
 - looked at potential for mothballing facilities should it be required (this was not implemented).
- Reviewed current arrangements around payment of the management fee to the council to stabilise impacts of prices increases in utilities and to ensure service continuity.
- WDC worked with the operator to include leisure projects as part of decarbonisation projects and council/funding investment in energy saving projects.

3.3.4 In August 2023 Kenilworth Multi Academy Trust terminated the Community Use Agreement with WDC which removed Everyone Active from the operation of the school site. The school made it clear that they had no issues with the performance of Everyone Active over the 6 years of operation. Their decision was made on perceived commercial grounds triggered by the opening of the new school site and expanded leisure provision. This required the council to make variations to the leisure contract provisions.

3.3.5 Having a healthy partnership with the contractor and other governing bodies like Sport England, Swimming England, and other partners, has allowed the contract to start to recover and progress where many other contracts have failed.

4. Contract Management

- 4.1 As laid out in the Leisure Contract, WDC is responsible for the management and governance of the Leisure contract. The Sports and Leisure Contracts Manager (SLCM) consults directly with Everyone Active about contract changes /variations, finance, and performance management and monitoring. the contract governance then defines that these will be discussed and if approved, agreed to via the relevant council processes.
- 4.2 There are weekly contract operations catch ups with the EA contract manager. In addition, there are also more senior contract meetings, which are attended by relevant senior managers of EA and WDC.
- 4.3 Further officers are responsible for inspections and contract data collection to ensure compliance.
- 4.4 An internal audit of the Leisure Contract on 31st March achieved a Substantial score. See Appendix 1 – WDC Internal Audit Leisure Services Contract

5. Contract performance

5.1 Health and Wellbeing

- 5.1.1 The impacts of how the contract is performing in delivery of Health and wellbeing are outlined in appendix 5 the £3.6 million positive contribute to the district. The Sport England active lives survey 22-23 shows that Warwick district has the second most active population in the sub region and also the lowest inactive population in the subregion. The leisure contract is providing many opportunities for residents to enjoy a healthy lifestyle.
- 5.1.2 Everyone Active have a corporate responsibility policy and offer free memberships to certain groups who may find it hard to access the facilities. Current membership levels are as follow.
 - Cared for Children - 11 users (Access to swimming, dance, soft play, and age relevant gym session)
 - Care Experienced Young People – 54 users (Access to gym, swim, and group ex)
 - Carers - 12 users (Access to gym, swim, and group ex)
 - Parkinsons Membership – 69users (free use Gym, swim, Group ex)

5.2 Community

- 5.2.1 GP referral numbers have increased by 40% this year and will continue to increase as the scheme is introduced at Castle Farm Leisure Centre.

- 5.2.2 EA support charities at both local and national level. The previous years partnership was with Dementia UK-the only charity that provides specialist dementia nurse support through their Admiral Nurse Service. In July EA plan to support a Breast Cancer charity as well as the Ben Kinsella Trust – An anti-knife crime charity where EA plan to use their facilities to hold workshops on the danger of knives, educating young people away from youth violence and help stop knife crime etc. Identified centres will have knife packs for stabbing / cutting injuries etc.
- 5.2.3 The Sporting Champions scheme from Everyone Active gives talented athletes the opportunity to make use of training support and mentoring sessions to further their burgeoning careers. As an Everyone Active Sporting Champion, the athlete benefits from access to free training facilities at any of the 230-plus sports centres located all over the country, as well as to mentoring days throughout the year.
- 5.2.4 There are 19 Sporting Champions with free access across the Warwick contract for this year 2024/25.

5.3 Social value

- 5.3.1 Social value is measured annually in the contract through Moving Communities. It measures the social return on investment and social value for sport and physical activity. Historically, the emphasis has been on economic return from the leisure contract and delivery of 'added value.' However, terminology has changed as has the industry and the importance of social value has been recognised.
- 5.3.2 The ability to measure social value shows the value to the wider community of sport and physical activity. This includes health, subjective wellbeing, education, crime, and volunteering which enables WDC to evidence impact, justify investment, inform policy, and better understand the value of sport and physical activity to everyday life. Appendix 5 outlines the Social Value of the full Contract for a 12-month period 2023/2024. The total social value is calculated as £3,677,393 and the social value per person is £117. The data in the Social Value report outlines the benefits to the district of having extended, refurbished, and well-run facilities.
- 5.3.3 Everyone Active continue to upskill the local workforce and increase the number of qualified lifeguards. Everyone Active offer young people who are 16 years and over free National Pool Lifeguard Qualification Training (NPLQ) courses. This takes away the barrier of costs from the course and offers employment if the candidate successfully passes the qualification. Existing colleagues are offered extensive training opportunities linked with EA's business including NPLQ, First Aid at Work, Health, and Safety (IOSH (Institution of Occupational Safety and Health), NEBOSH, Pool Plant), Swim Teaching, Fitness qualifications, GP Referral training. They also offer Apprenticeships which make a valuable contribution to the local workforce.

- 5.3.5 Apprenticeships are important in the district in getting young people into work. Everyone Active have increased the number of apprentices across the contract. Numbers have risen from 8 in 2022/2023 to 14 in 2023/2024.

5.4 Key Performance Indicators

- 5.4.1 The contract is performing well, exceeding the targets which have been set (see Appendix 3). There are a few examples outlined in the following paragraphs.
- 5.4.2 For example, the sites are subject to DEC (Display Energy Certificates) reports, and these receive a score. Both Newbold Comyn and Castle Farm have considerably reduced their score and their energy use whilst increasing efficiency. St Nicholas Park has risen slightly, and this is currently being investigated.
- 5.4.3 The accident statistics are measured and benchmarked against the industry standard which is 6 accidents per 10,000 visitors/workers. The contract outcome is a figure much lower of 1.18 per 10,000. This demonstrates the safety of the facilities and their operation.
- 5.4.4 The Annual staff survey reports that staff satisfaction levels are 84% up from 73% the previous year. This highlights the happiness of the staff working for our contractor, which was felt to be important as the staff were originally WDC colleagues.
- 5.4.4 KPIs are captured by Everyone Active using their CRM and other systems that record all customer interaction and data. These are tracked and shared at the weekly, monthly, and annual contract operations meetings and the WDC officers involved with the contract have no concerns about performance or delivery.

5.5 2023-2025 Service Plan Key Performance Indicators

- 5.4.1 In all of the graphs in this section of the report the green line indicates the target which is set as the outturn of the previous year with the intention of exceeding it. Whilst the blue bar indicates actual performance.
- 5.4.2 Graph 2 showing the number of leisure centre users annually per year. Table 2 shows the graph 2 as figures. (SCLE KPI 18)

Graph 2

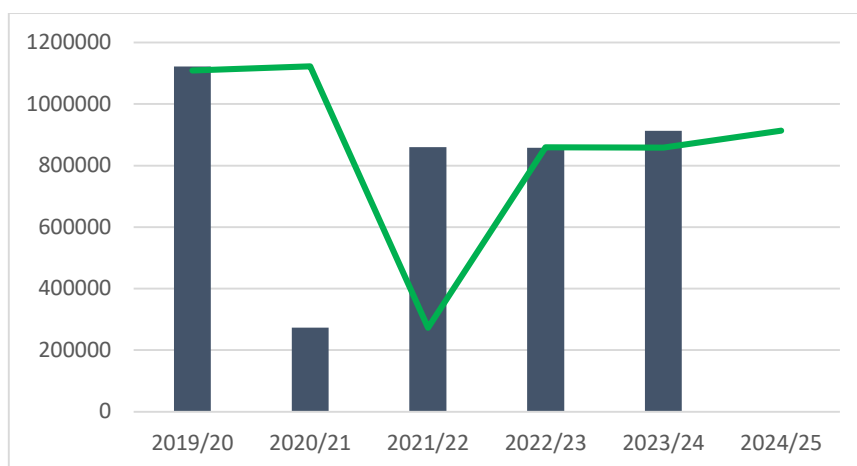


Table 2

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Q1	261294	306490	0	200464	213196	226102
Q2	271072	302777	115936	230743	225591	229645
Q3	261032	257364	157027	203412	194469	195082
Q4	315548	255885	0	224883	224883	262629

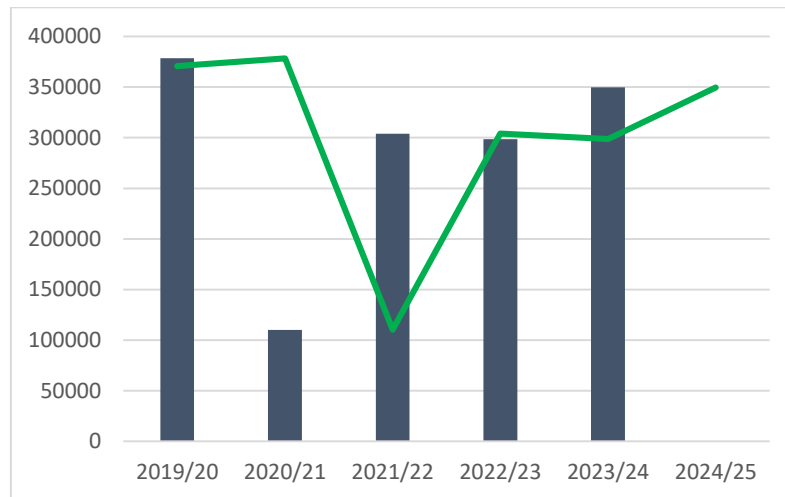
5.4.3 The following measures are Objective result Indicators, monitored within the service.

5.4.4 Graph 3 shows the number of women and girls using the leisure centres and graph 4 the number of concessionary users of the leisure centres.

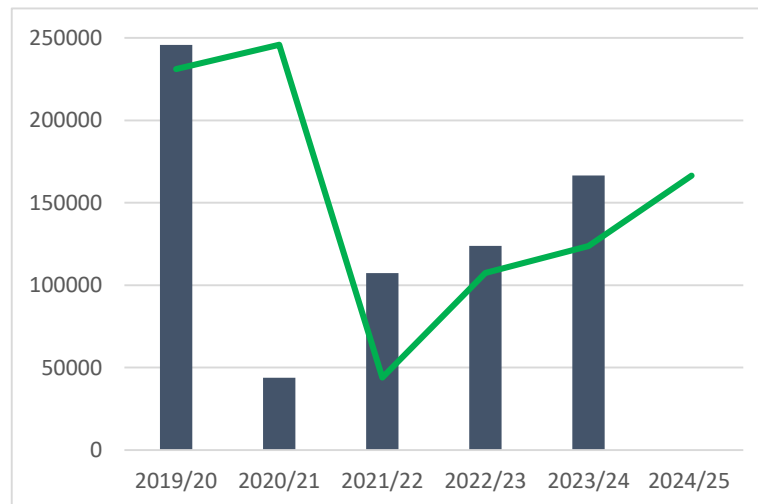
5.4.5 The service also monitors the inactivity levels of the community using an estimated percentage of adults aged 16 and over in the local area who are inactive as produced by the Active Lives Survey.

5.4.6 Data is sourced from the adult Active Lives November to November survey. The survey sample is randomly selected from the Royal Mail's Postal Address File ensuring a very high coverage of private residential addresses. The target sample size for each English local authority (excluding the City of London and Isles of Scilly) is 500 returns. Data may be suppressed for an area where the threshold of 30 is not reached.

Graph 3



Graph 4



5.4.7 These estimates include the activities of walking, cycling, dance, fitness, and sporting activities, but exclude gardening which is outside of Sport England's remit. Office for Health Improvement and Disparities (OHID) publish physical activity data for adults aged 19+ that includes gardening. Activity is counted in moderate intensity equivalent minutes whereby each 'moderate' minute counts as one minute and each 'vigorous' minute counts as two moderate minutes. Depending on the number of minutes of moderate intensity equivalent (MIE) physical activity, people are described as being - Inactive - Doing less than 30 minutes a week.

5.4.8 Graph 5 shows the comparison of Warwick District to its CIPFA and county neighbours according to published data and table 3 demonstrated the same in tabular form. It should be noted that the survey was adapted during the

COVID-19 pandemic and therefore caution should be used when comparing data.

5.4.9 In this graph the green horizontal line shows the national the national average, whilst the blue vertical lines represent WDC, and all the grey vertical lines represent the other local authorities.

5.4.10 WDC has a lower percentage inactive persons than both the national average and consistently than its CIPFA and county neighbours.

Graph 5

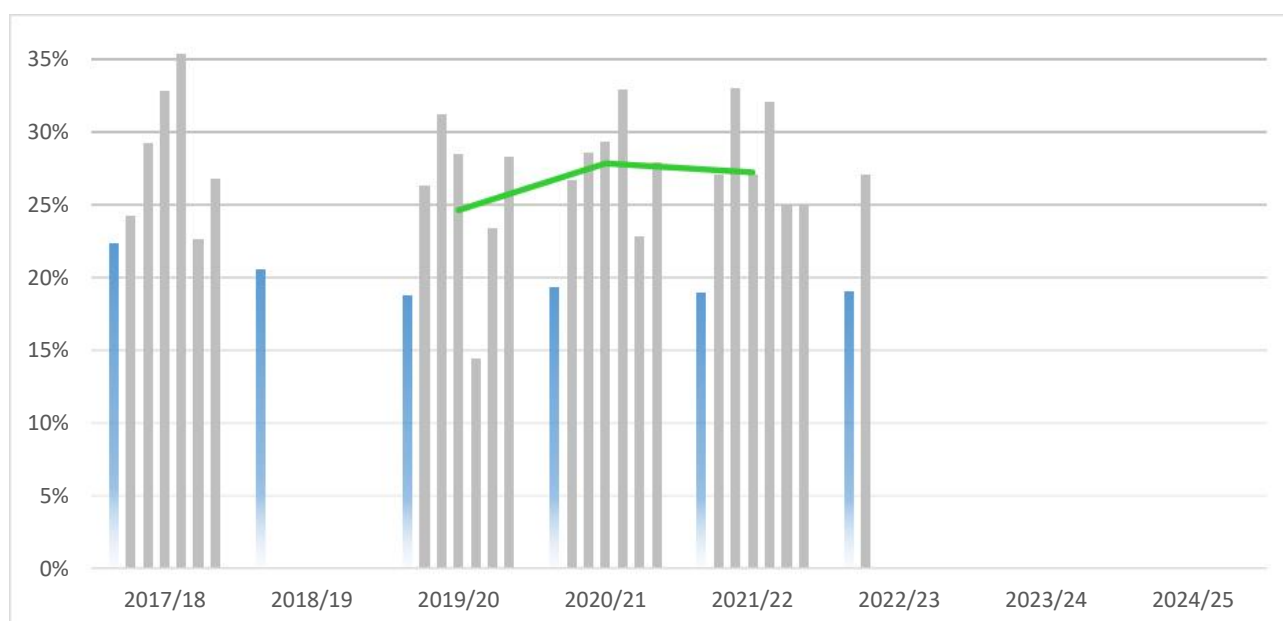


Table 3

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Warwick District	22.3%	20.5%	18.7%	19.3%	18.9%	19.0%
Chelmsford	-	-	-	-	-	23.1%
Basingstoke and Deane	-	-	-	-	-	20.5%
Stafford	-	-	-	-	-	24.6%
Test Valley	-	-	-	-	-	17.5%
Tunbridge Wells	-	-	-	-	-	20.3%
Mid Sussex	-	-	-	-	-	18.1%

East Hertfordshire	-	-	-	-	-	18.9%
North Hertfordshire	-	-	-	-	-	15.8%
Huntingdonshire	-	-	-	-	-	25.3%
Maidstone	-	-	-	-	-	22.1%
Winchester	-	-	-	-	-	19.9%
Rugby	24.2%	-	26.3%	26.7%	27.0%	27.0%
Cheltenham	-	-	-	-	-	21.4%
Charnwood	-	-	-	-	-	22.6%
Coventry	29.2%	-	31.2%	28.6%	33.0%	-
North Warwickshire	32.8%	-	28.5%	29.3%	27.0%	-
Nuneaton & Bedworth	35.4%	-	14.4%	32.9%	32.0%	-
Stratford	22.6%	-	23.4%	22.8%	25.0%	-
Solihull	26.8%	-	28.3%	27.9%	25.0%	-
National Average	-	-	24.6%	27.8%	27.2%	-

5.5 Customer Service

5.5.1 Quest Award

5.5.2 Quest is an independent external body assessment recommended Sport England Continuous Improvement Tool for leisure facilities and sports development teams. It is designed to measure how effective organisations are at providing customer service. Quest is valuable to the industry and guides the sector to consider the wider impact it can have on the health and wellbeing of communities. Within this assessment, mystery visits were conducted which include phone calls, emails, customer facing, maintenance, cleanliness etc.

5.5.3 The contract specification requires the contractor to achieve Quest Plus within 24 months of the start of the contract or building opening and then a two-yearly audit which allows the contract to be benchmarked.

5.5.4 St. Nicholas Park Leisure Centre scored 'Excellent' in their September 2023 Quest Assessment. Newbold Comyn Leisure Centre also achieved 'Excellent' in October 2023. To achieve excellent, A centre must meet all the criteria and the service could not be faulted.

5.5.5 Nationally, the sites achieving excellent in Quest are ranked, St Nicholas Park Leisure Centre is ranked 10th and Newbold Comyn Leisure Centre is ranked 13th. See Appendix 4 – Quest Ranking.

5.6 Customer Surveys

- 5.6.1 Annual surveys are completed by Everyone Active as part of the contract monitoring and continuous improvement. There were an impressive 905 response during the last survey. Customers that were 'satisfied' or 'very satisfied' with overall service has risen from the previous year of 80% to current year of 93%.
- 5.6.2 During the various closures and reopening of leisure centres the customers have always been kept fully informed and supported through the process. Everyone Active worked in partnership with officers to facility support users. For example: Fitness classes from Castle Farm whilst it was closed were relocated to other Kenilworth sites and St Nicholas Park Leisure centre. Clubs and groups were also found space in the timetabling of alternative sites so that they could operate and continue to thrive. Swimming activities were also relocated to other sites that had capacity, this included swimming lessons, gala's, schools swimming and clubs.

6. Financial

- 6.1 In 2017 the contract started with an agreed LOBTA (Leisure Operators Base Trading Account) from which the Leisure Concession Fee is calculated. Confidential Appendix 2 outlines the actual financial position from years 1 to 7.
- 6.2 Years 1 to 3 of the contract performed as expected in line with the original forecasts.
- 6.3 In year 4 saw the impacts of the covid pandemic with the sites shut for a considerable amount of time. During this time, we agreed several mitigations for facility management to protect the building's fabric whilst reducing outgoings. These included: reduced pool temperatures, air handling units and plant items were also on reduced operating times. The aim was to reduce the pandemic's financial implications and apply for Government grants outlined in Appendix 5.
- 6.4 As outlined in para 3.2, the leisure sector was devastated by pandemic, and this continued with high energy costs. WDC and EA worked closely together to mitigate these costs and ensure that sites were open to the community as soon as possible when covid restrictions were lifted/eased. During the pandemic period, the contract was varied from the original terms using "Covid Event forms" approved by Legal Services from Year 3 to adapt the contract to the changing environment. This continued after the pandemic to aid local recovery.
- 6.5 The rationale behind this change was to provide transparency with open book accounting demonstrating that the original LOBTA was unachievable and would put the contract in a perilous situation. Monthly accounts were provided by EA showing surplus/deficit against a forecast from that point forward. The use of "Covid Event forms" has continued to date in recognition of the ongoing impact

on the leisure industry and the changes in the facilities included within the contract over the operational period.

- 6.6 Further to these contract variations contained in the COVID event forms, WDC receives 80% of the surplus from trading. 20% was kept by Everyone Active to encourage service development and investment.
- 6.7 There have been many other factors considered when agreeing to recent Covid Event forms which included the changes in the development timescales of Abbey Fields and Castle Farm. This was impossible to factor in when Everyone Active bid for the contract in 2017. Most recently, the costs of operating the newly built Castle Farm Leisure Centre were hard to predict accurately, with unknown energy costs and usage when the 2024/25 fee was agreed. Happily, this has been a success story with a higher uptake of users and therefore a better financial performance in the first three months than forecast.
- 6.8 The loss of the operation of the dual use site at Kenilworth School was a disappointment with impact on finances to the leisure contract. The school took a last-minute decision to operate the new site school facility in-house. Whereas the two leisure sites in Kenilworth had complemented each other in the services they offered, there is now direct competition between the facilities.

7. Benchmarking with other companies and districts

- 7.1 There is no easy or accurate way to benchmark the income expected from a leisure contract with other contracts in the country as each operator and mix of sites are different. There is also a commercially sensitive clause with LOBTA figures. However, discussions with other client officers and APSE (Association for Public Service Excellence) Seminars show that WDC are in a strong position with its leisure contract and the income it receives. Since Covid the contract has received year-on-year growth in terms of the financial return for the council.
- 7.2 As mentioned below in 15.2 the introduction of new private facilities has an impact on the leisure contract. This increases competition and reduces latent demand.
- 7.3 The redevelopment of the WDC sites has led to a significantly enhanced sports and leisure provision across the district. Future proofing the facilities by refurbishment and with Everyone Actives expertise in adding the latest fitness health and wellbeing offer attracts all users. The contract-controlled pricing structure supports residents on low income and those with disabilities. EA have found that the customer base from other private providers have moved across to Warwick District Council facilities since the refurbishments. Unfortunately, Newbold Comyn Leisure Centre's gym membership was impacted by the opening of Pure Gym in the town. To combat this EA revised their membership structure after Covid and reduced the cost of certain packages. The Pure Gym operating model is vastly different to the requirements of the leisure contract, which is based on good customer service and being accessible to all. The Pure Gym sites are open 24/7 but unmanned during off-peak times. The age profile

is often younger, group exercise timetables are restricted and there is no swimming offer.

- 7.4 Warwick District Council is involved with Sport England's "Moving Communities," a national initiative, which measures the social impact of the use of the leisure centres. This data will inform future investment decisions to help strengthen communities and improve health and wellbeing. The data is also used to monitor and benchmark Everyone Actives performance.

8. Future Service & Contract Development

There are three main objectives for the future of the Warwick contract which have been discussed in this report.

- Continued financial recovery.
- Development of health and wellbeing initiatives in the district.
- Carbon Reduction

8.1 Health and Wellbeing

- 8.1.1 The sector continues to move away from the label of sport and physical activity to deliver a more holistic approach of health and wellbeing. Everyone Active's evolving company structure and local resourcing are supporting these initiatives. Everyone Active's Aquatics and Wellbeing Director leads on the development of the Health and Wellbeing Strategy, supporting colleagues and members to look after their physical and mental health. An Activity and Wellbeing co-ordinator is in post in the Warwick Contract and a new delivery role will be introduced shortly.
- 8.1.2 Warwick District leisure providers are involved as part of a project to support the NHS to help people as they age. The aim is to transform gyms and pools into community musculoskeletal hubs (i.e. rehabilitation for knee, hip, and back conditions). This reduces health inequalities and the burden on the NHS by providing local, supported self-management options for people to better maintain mobility, physical function and reduce pain through activity delivered closer to home. This scheme is being developed and will be introduced from October 2024.
- 8.1.3 Swim England are piloting a new type of swim session at Newbold Comyn Leisure Centre that is aimed at people who might see swimming as a barrier to helping them achieve better health and wellbeing. The Swim Together scheme has been developed with Leamington Primary Care Network, Mental Health Swims and Everyone Active which aims to help increase the diversity within the swimming community by making peer support accessible to a whole new group of people. The scheme has proved a success and has now moved to a weekly

session. Evaluation of the pilot scheme will help inform similar initiatives that can be delivered both locally and nationally.

8.2 Community Outreach Programme

- 8.2.1 EA are working closely with the South Warwickshire Foundation Trust, the South Warwickshire Place Partnership, appointed a Community Connector, who will be based in the Lillington Health Hub. Their role is to find ways to signpost residents to get them active in the community and target health inequalities in the Illington area. This will support groups with Asthma, COPD and long Covid and have offered 3-month free membership trials. This partnership is in its infancy and there are great hopes for its expansion.

8.3 Workforce Development

- 8.3.1 Another initiative in service development is to upskill the local workforce and increase the number of qualified lifeguards. Everyone Active offer young people who are 16 years and over free National Pool Lifeguard Training courses. This takes away the barrier of costs of the course and offers employment if the candidate successfully passes the qualification.

8.4 Future Facilities

- 8.4.1 There are exciting new facilities due to open and contribute to the health and wellbeing of the community.
- Lillington Health Hub – Once it opens it will provide a community space for EA to deliver seated exercise, gentle mobility sessions, Yoga, GP referral consultation. The initiative is supported by the Shared Prosperity Fund funding.
 - Abbey Fields swimming pool is due to open in 2026 and will offer the residents of Kenilworth a state-of-the-art facility that is fully accessible.
 - Oakley School near Bishops Tachbrook will provide a new community use facility open during evenings, weekends, and school holiday. The site offers a wide variety of facilities. The Community Use Agreement is being finalised and it is hoped that the sports facilities will open in October 2024. As part of the leisure contract Everyone Active will operate the site.
 - Castle Farm opened in December 2023 and has been very successful but as with any new site the programme evolves and grows. The main service development will be the activity programme which will include GP referral.

9. Future Challenges

- 9.1 From the beginning of the contract, car parking for the leisure facilities has been a challenge to the aspirations of the Council to increase participation. The lack of parking capacity, increase/introduction of fees and charges, especially at St Nicholas Park Leisure Centre (where lack of staff parking creates an additional burden) and any broader plans to restrict or charge for car parking at leisure centre facilities are detrimental to participation. The Council has seen

changes to sports participation and the use of its sports facilities generally, since charges were changed. The current car parking charges per visit increase the cost to the customer to utilise the facilities and act as a barrier to participation.

- 9.2 Abbey Fields swimming pool development is now scheduled to open in year 10 (2026) of the existing contract. The extended development period and lack of immediate local alternatives means this new facility will be opening with no existing / reliable customer base. Consequently, the initial period after re-opening is likely to be compromised in terms of income levels. Significant input of resources will be required to support the relaunch of this facility.
- 9.3 The performance of Castle Farm leisure centre is encouraging in this respect, but the operational costs associated with Abbey Fields swimming pool will be significantly higher due to the staffing and running of two swimming pools and it is likely to take longer to be financially sustainable due to the reliance on the growth of the learn to swim programme. Officers will be working with developers and everyone active to ensure costs are known and prepared for.
- 9.4 De-carbonisation and net zero are likely to become increasingly important challenges to the way WDC heats its buildings, and particularly the pools. WDC was successful in receiving £234k of funding from the Swimming Pool Support Fund for PV installation at Newbold Comyn Leisure Centre, but other initiatives will need to be investigated and funding sourced to deliver further enhancement to the facilities.
- 9.5 Following review of performance, recognising the challenges of venues being closed for redevelopment and the impact of the pandemic, officers will begin the process of preparing a report recommending an extension to the Everyone Active contract for a further 5 years in line with the terms outlined within the leisure contract.

10. Legal Implications

Appendix 2 to the report is confidential due to the information within it relating to the financial or business affairs of any particular person (including the authority holding that information). It is not envisaged that there are circumstances where this information will be released to the public due to its commercial sensitivity for Everyone Active.

11. Financial Implications

There are no financial implications for this review report.

12. Corporate Strategy

- 12.1 Delivering valued, sustainable services** – The Leisure development programme and the outsourcing of the leisure facilities has demonstrated that

WDC is committed to delivering high quality services. The financial returns even with the impact of Covid prove that WDC is making better use of existing resources, increasing income whilst also increasing participation.

12.2 Performance is measured and challenged throughout the contract and benchmarked with external organisation. Specifying external audits like Quest (Sports England Improvement Tool) ensures that the service is customer focussed, continuously monitored and improved.

12.3 **Low cost, low carbon energy across the district** – The leisure centres with swimming pools have the biggest impact on energy consumption of all WDC building stock. The redevelopment plan has ensured that the newest technology is installed to reduce consumption and therefore reduce carbon emissions. WDC in partnership with Everyone Active were successful in receiving a grant of £234k for photovoltaic panels at Newbold Comyn Leisure Centre. Investigations are being undertaken to source funds for a similar scheme at St Nicholas Park Leisure Centre. Everyone Active employ a Group Sustainability Manager who is responsible for their Net Zero strategy. See Appendix 6 – Everyone Active's Carbon Reduction Plan (June 2024) explains the completed carbon reduction initiatives and how further measures will be implemented.

12.4 **Creating vibrant, safe, and healthy communities of the future** – This review demonstrates that the partnership between contractor and client is championing new and innovative ways of working together to improve health and wellbeing as well as tackling inequalities. The multi-agency approach encourages levelling up to create opportunities for every resident to protect and improve their health and wellbeing. The implementation of Musculoskeletal Hubs, Swim Together Scheme and Lillington Hub project all support the strategic priorities.

13. Environmental/Climate Change Implication

13.1 As mentioned in 13.1.3 Carbon Reduction Plans are crucial in these high energy usage facilities. WDC and Everyone Active have shared goals and values regarding the reduction energy usage and alternative green energy. It will remain a priority in the coming months.

14 Risks

14.1 **Original Identified Risks -**

Risk	Difficulties	Mitigated By
Reliability and robustness of customer / user data supplied by the council as part of the procurement process upon which EA's financial plan for baseline, growth and maturity were based.	Customer relationship management systems were not that advanced in WDC prior to 2017	Contractors enhanced IT software has allowed year on year reliable data
Original submission had been based on uncertainty associated with the closure and redevelopment of both Kenilworth facilities, Abbey Fields Swimming Pool and Castle Farm Recreation Centre and the closure and partial closure of Newbold Comyn and St Nicholas Park leisure centres for refurbishment works.	The contractor reported that their Everyone Active submitted their proposals with risks present associated with facility refurbishment & development timescales, employment obligations to colleagues, colleague structure and associated costs, in addition to balancing the effects of loss of customer base / business (especially children for swimming lessons at Abbey Fields) against recovery, growth and maturity following completion.	The contract variation has allowed the contract to be adjusted and timescales of build projects to be taken into account
Failure of contract due to continuing impact of the pandemic.	Previous work, and current advice from within the sector has demonstrated that alternative options for managing leisure facilities (in-sourcing or setting up a Trust) are unlikely to provide financially viable solutions, leading to inevitable reduction in local authority leisure provision.	Contract Monitoring by officers with open transparent discussions regarding finances, challenges and solutions.

15.2 **Current Risks**

These will be reviewed and updated as part of the emergence of the new Risk Policy for the Council.

Risk	Mitigation to date	Residual risk	Alternative options
Further delay of the redevelopment of Abbey Fields swimming pool and the renegotiation of the extension of the contract.	Contract variations undertaken. Close working with the project team delivering the development	Green	Ongoing contract variations
Further external Forces. i.e. continuing energy price increases, cost of living, pandemic	Grants applied for and provided by Sport England. Close working with EA to identify further mitigations to reduce costs without impacting service delivery.	Green	Above inflation prices increases on fees and charges.
New entrants to the market increasing competition and decreasing the latent demand in the district's catchment area, e.g. University of Warwick, Orange Theory, Pure Gym	Monitor the leisure market within the district and more widely. Close working with the contractor to ensure competitive service delivery.	Green	Not monitor the impacts of new market entrants within the district
Council decisions creating barriers to sport and activity	Ongoing discussions with relevant council services regarding current observable trends.	Amber	Progress with decisions without consideration of barriers to sport.
Failure of Community use agreements. i.e. through facilities not being maintained	Participation in the Management boards. Monitoring of the Community use delivery. Supporting service delivery through grants / loan signposting	Amber	Planning Enforcement activity to enforce Community use agreements conditions.

Supporting Documents

Appendix 1 – WDC Internal Audit Leisure Services Contract

Appendix 2 – Confidential EA Financial Performance

Appendix 3 – WDC Annual KPI Report

Appendix 4 – Quest Ranking

Appendix 5 - Social Value

Appendix 6 – Everyone Actives Carbon Reduction Plan (June 2024)

FROM: Audit and Risk Manager
TO: Head of Safer Communities,
Leisure and Environment
C.C. Chief Executive
Head of Finance
Sports and Leisure Contract
Manager
Portfolio Holder (Cllr Falp)

SUBJECT: Leisure Facilities Contract
DATE: 31 March 2023

1 Introduction

- 1.1 In accordance with the Audit Plan for 2022/23, an examination of the above subject area has recently been completed by Ian Davy, Principal Internal Auditor, and this report presents the findings and conclusions for information and, where appropriate, action.
- 1.2 Wherever possible, findings have been discussed with the staff involved in the procedures examined and their views are incorporated, where appropriate, into the report. My thanks are extended to all concerned for the help and cooperation received during the audit.

2 Background

- 2.1 Since 1 June 2017, the Council's leisure centres have been managed by Everyone Active (which is part of Sports & Leisure Management Ltd (SLM)).
- 2.2 Client-side management of the contract is carried out by staff in the Sports & Leisure section of the Safer Communities, Leisure and Environment department.

3 Objectives of the Audit and Coverage of Risks

- 3.1 Contract management audits do not follow the 'normal' risk-based approach, with the audit reviewing the management and financial controls in place.
- 3.2 The audit largely followed the standard contract monitoring programme although the Contract Award and the Contract Termination and Renewal areas were not covered as the award was covered by the previous audit of the topic and the contract has another three years to run before the renewal (extension) is considered. The scope therefore included:
- Service provision and monitoring
 - Contract amendment and variations
 - Finance
 - Contingency planning and risk management.

3.3 The control objectives examined were:

- Staff are aware of what the Council aims to achieve in relation to the services that are being provided
- Contractors are aware of the services to be provided
- Works are undertaken to agreed standards
- Permanent changes to the contract are formally agreed
- The Council only pays for work that has been previously agreed
- Budget variances are limited as the budgets are set appropriately in line with known areas of income and expenditure
- The Council is aware of any potential budget variances
- Payments are valid and accurate and processed in accordance with the appropriate conditions of the contract
- All income due to the Council is received
- Contingency plans exist to ensure that the service continues to be provided
- The Council would not be financially disadvantaged should the contractor fail to provide a service
- The Council will not be liable for any claims received due to the work of the contractor
- The Council and the contractor are aware of the risks in relation to the services provided and have taken steps to address them.

3.4 The outsourcing of the management of the Council's leisure facilities helps the Council to achieve a number of aims set out under the Business Strategy. Specifically, these fall under the External People strand regarding impressive cultural and sports activities, Internal Services strand regarding the maintenance and improvement of services and the Internal Money strand regarding obtaining better returns on the Council's assets.

4 Findings

4.1 Recommendations from Previous Reports

4.1.1 The current position in respect of the recommendations from the audit reported in March 2019 is as follows:

Recommendation	Management Response	Current Status
1 The summary customer comments reports should include all relevant complaints / compliments.	Whilst we have a good handle on customer complaints / compliments from the data we receive from Everyone Active and from our regular client meetings, we acknowledge that we need to agree with Everyone Active a method of collecting customer satisfaction data.	The reports are still in the same format as at the time of the last audit (see 4.2.13 and 4.2.14 below).

Recommendation	Management Response	Current Status
2 A formal log of all agreed contract variations should be maintained.	We have a process for contract variations. However, we will review it and make any required amendments, including the use of Change Control Notes as set out in the contract.	The majority of changes since the last audit have been covered by formal 'Deeds of Variation' which are not entered onto the log. Only two, more minor, changes have been entered onto the log that is being maintained (see 4.3.5 to 4.3.7 below).

4.2 Service Provision and Monitoring

- 4.2.1 The contract commenced in June 2017 and, as such, predates the majority of the current Council policies although there are some references to specific, relevant, policies within the contract documentation and the 'aims' of other policies are also indirectly referenced:
- HR policies were noted in the service specifications in the ITT (invitation to tender) documentation.
 - The 'Background' section of the main agreement document highlights that the contract was being agreed following an advert that had followed the OJEU procedures in place which would have complied with the Procurement policy at the time.
 - The ITT document highlights that 'The booking system ... shall provide online and interactive access...' in line with the Digital Strategy.
- 4.2.2 The latest annual report from Everyone Active also includes their outline plans and aims in terms of the 'Carbon Net Zero' agenda in place at the Council.
- 4.2.3 The Sports and Leisure Contract Manager (SLCM) advised that, whilst there is no current leisure strategy, the service specification included within the agreement highlights the general service requirements along with more specific 'aims' in terms of programming and community / sports development. As part of their submission, the contractor included a series of 'service delivery proposals' (method statements) as to how the services under the contract would be delivered.
- 4.2.4 The SLCM advised that she is the nominated contract manager and, due to service restructures, she has also effectively been the contract administrator recently. However, the Sports Assistant has been undertaking the site inspections and other aspects of the role and two new staff are to be appointed which will allow her to delegate the contract administration role fully to another staff member.
- 4.2.5 The Strategic Procurement and Creditors Manager confirmed that the SLCM had attended a three-hour procurement, commissioning and contract management

awareness training session in December 2022. The SLCM advised that she had also previously undertaken an advanced APSE (Association of Public Service Excellence) training course on contract management.

- 4.2.6 The Service Area Plan (SAP) for Safer Communities, Leisure and Environment includes four specific performance measures in relation to the provision of the services covered by the contract.
- 4.2.7 Performance against these measures is included within the SAP spreadsheet on a quarterly basis with commentary included where appropriate along with comparator figures from previous years, although the SLCM highlighted that it is hard to compare to previous years due to COVID.
- 4.2.8 In terms of reporting the figures, the Performance Management Officer advised that, following the provision of the figures, he compiles the data and presents it to SLT and Councillors in the quarterly report. Management and Councillors also have access to the raw data behind the quarterly reports on the Business Intelligence Portal (which can be accessed at any point) to enable them to easily see longer term trends in performance which may not be captured in the quarterly reports. Everyone Active also produce their own annual performance report which is shared accordingly.
- 4.2.9 The SLCM advised that, as well as the monitoring of the performance management data and the annual reporting there are weekly meetings with the Everyone Active contract manager and quarterly 'partnership' meetings which the individual centre managers also attend.
- 4.2.10 Site inspections are also undertaken at each centre covering issues such as health and safety, cleanliness and general maintenance along with reviews of compliance paperwork (e.g. fire alarm checks etc.). The sites also have to provide details of comments / complaints (see below), accidents and microbiology and these will be reviewed when received to assess whether there are any issues that need to be resolved.
- 4.2.11 The SLCM highlighted that the main issues at present tend to relate to defects / snagging and issues with the (Astro) pitch at John Atkinson (Myton). However, these are issues that the Council has to address as opposed to performance issues by Everyone Active.
- 4.2.12 When required, other meetings will be held to discuss topics such as maintenance, staffing and finances as well as future changes to the contract (e.g. discussions have been held regarding the new dual use agreement at the new Kenilworth School and the taking on of the athletics track).
- 4.2.13 Monthly customer comments reports are received which include details of average customer (satisfaction) ratings but these do not give any indication of how the scores are derived (i.e. how many returns have been received to arrive at the average score).
- 4.2.14 It is recognized that complaints received by either Everyone Active or the Council are discussed in detail at the monthly contract monitoring meetings. The customer comments reports (referred to above) include a summary of

comments and minor issues with the report showing how the issue has been resolved. This report is only a summary of the comments received and does not necessarily include all relevant information to enable the Council to identify any issues that have been escalated. This issue was also raised at the time of the previous audit.

Risk

The Council may not be aware of all relevant issues raised in relation to the operation of the leisure centres.

Recommendation

The report format should be reviewed to ensure that it contains information relevant to the Council at the appropriate level of detail to enable the appropriate steps to be taken.

- 4.2.15 The SLCM advised that if comments / complaints are received by the Council they will be referred to the relevant leisure centre in the first instance. If the issue needs to be escalated, a formal hierarchy will be followed, although the this shows an outdated staffing structure.

Advisory

The complaint escalation hierarchy should be updated to reflect the current staffing structure.

4.3 Contract Amendments and Variations

- 4.3.1 At the time of the previous audit, it was noted that a 'Deed of Variation' had been signed to cover the delays to the contract in respect of the building works overrunning at Newbold Comyn and St Nicholas Park leisure centres.
- 4.3.2 A further Deed of Variation has subsequently been agreed (signed by the contractor and sealed by the Council) in respect of Coronavirus Events, the associated forms that are to be used and changes to finances as a result.
- 4.3.3 There had also been an interim variation (agreed in July 2020) that covered the period between 1 July 2020 and 31 August 2020. This also related to COVID and the changes to finances that were being enacted as a result.
- 4.3.4 A current Coronavirus event form is in effect which waives the concession fee due. In place of this, the agreement is that the fee payable by the contractor for 2022/23 will be 80% of any surplus made.
- 4.3.5 Alongside the 'formal' variations, there are other changes to things such as the timetables which are recorded on a variations register. The majority of the variations recorded were from 2018 (i.e. prior to the previous audit) with only two subsequent updates.
- 4.3.6 One of these covered the social distancing requirements due to COVID with the other relating to the introductions of virtual aquafit instead of lane swimming at

St Nicholas Park Leisure Centre. This latest change was seen to be discussed in the partnership meeting in July prior to the start of the pilot and then discussed in the subsequent (October) meeting with a further session being 'investigated'.

- 4.3.7 The SLCM advised that, due to COVID, there have not been many 'small' changes made, with the relevant changes being covered by the COVID Event Deed of Variation. A new Deed of Variation will be drawn up following the latest (and last) Coronavirus event form to formalise some of the changes going forward.
- 4.3.8 Due to the delays to the completion of the leisure centres referred to above, the Council had been required to make some 'loss of revenue' payments to the contractor (under Schedule 23 of the contract). It was expected that there would have to be similar payments made with regards to the 'Phase II' works at the Kenilworth leisure centres.
- 4.3.9 However, the SLCM highlighted that, as the centres were forecast to be making losses (due to COVID) prior to closing, these Schedule 23 payments were not required with the loss of revenue due to COVID being covered by the Coronavirus deed of variation referred to above.

4.4 **Finance**

- 4.4.1 The SLCM advised that the budget for the year is based on the forecast income from Everyone Active. The current year budget on Ci Anywhere shows the correct figure for 2022/23 based on the agreed 80:20 split of the forecast surplus as set out in the latest Coronavirus event form. The form also highlights that the concession fee for the year has been waived, so this is not included in the budget for the year on Ci Anywhere.
- 4.4.2 Minutes of the 'high-level' catch up meeting held in January 2022 and the email regarding the 2023/24 forecast were reviewed which confirmed that the figures provided by Everyone Active were subject to appropriate challenge.
- 4.4.3 Everyone Active provide spreadsheets on a monthly basis that show the detailed transactions, a summary of these transactions into the relevant codes for the year to date and then a further summary showing the actual figures.
- 4.4.4 The Principal Accountant inputs these figures into a spreadsheet along with actuals from the previous year to compare performance against the forecast figures and these are then discussed with the SLCM who will raise any larger variances with the Everyone Active contract manager for explanation.
- 4.4.5 As the concession fee for the year has been waived, the only transaction for the year will be the surplus share which will be invoiced for after year end. This will be raised once Everyone Active have provided their March spreadsheets and the figures have been checked.
- 4.4.6 An invoice for the 2021/22 financial year was found to have been raised correctly, with the Principal Accountant providing a spreadsheet showing how the figure had been calculated.

4.5 Contingency Planning and Risk Management

- 4.5.1 The SLCM advised that a 'Plan B' had been discussed during COVID as to what would happen if Everyone Active were to go out of business or walked away from the contract. Whilst this was not required as part of COVID, she suggested that the principles behind it would effectively form the contingency plan should either of the scenarios occur in the future.
- 4.5.2 The contract document includes a 'Form of Guarantee' (i.e. a parent company agreement guaranteeing the performance of the contract by the contractor). A signed and sealed copy of the guarantee was found to be in place. The SLCM advised that, due to the current economic situation and issues that the leisure industry is experiencing across the country, credit checks are also being performed on the company.
- 4.5.3 The contract also sets out the insurances that the contractor is expected to hold. This includes 'Property Damage Insurance', 'Third Party Public & Products Liability Insurance' and 'Business Interruption Insurance'.
- 4.5.4 The SLCM provided copies of the contractor's Employers' Liability Insurance certificate along with details of the other relevant insurances held by way of a broker's letter. Upon review of the documents provided, it was confirmed that the insurance held was in line with the requirements and was in force as appropriate at the date of the review.
- 4.5.5 A Sports and Leisure Services risk register was provided from October 2022. This had been incorporated into the updated Safer Communities, Leisure and Environment risk registers (generic and service specific) which are included with the Service Area Plan document.
- 4.5.6 The risks included are considered to be appropriate, including risks relating to the failure of the contract along with a number of more specific impacts.
- 4.5.7 The contractor has a regional health and safety manager who reviews sites. External reviews are also undertaken as part of the QUEST assessments with the both reviews covering the risk assessments in place.

5 Summary and Conclusions

- 5.1 Following our review, in overall terms we are able to give a SUBSTANTIAL degree of assurance that the controls in place in relation to the Leisure Facilities Contract are appropriate and are working effectively.
- 5.2 The assurance bands are shown below:

Level of Assurance	Definition
Substantial	There is a sound system of control in place and compliance with the key controls.
Moderate	Whilst the system of control is broadly satisfactory, some controls are weak or non-existent and there is non-compliance with several controls.

Level of Assurance	Definition
Limited	The system of control is generally weak and there is non-compliance with controls that do exist.

5.3 One issue was identified that requires further action:

- The summary customer comments reports does not include all of the relevant information to enable the Council to identify issues raised and escalated to allow for appropriate steps to be taken.

5.4 A further, minor, 'issue' was identified where an advisory note has been reported. In this instance, no formal recommendation is thought to be warranted and addressing this issue is discretionary on the part of the service.

6 **Management Action**

6.1 The recommendations arising above are reproduced in the attached Action Plan (Appendix A) for management attention.

Richard Barr
Audit and Risk Manager

Action Plan

Internal Audit of Leisure Facilities Contract – March 2023

Report Ref.	Recommendation	Risk	Rating*	Responsible Officer(s)	Management Response	Target Date
4.2.14	The report format should be reviewed to ensure that it contains information relevant to the Council at the appropriate level of detail to enable the appropriate steps to be taken.	The Council may not be aware of all relevant issues raised in relation to the operation of the leisure centres.	Low	Sports and Leisure Contract Manager	The reporting of customer comments will be changed accordingly.	September 2023

* The ratings refer to how the recommendation affects the overall risk and are defined as follows:

High: Issue of significant importance requiring urgent attention.
Medium: Issue of moderate importance requiring prompt attention.
Low: Issue of minor importance requiring attention.

Annual KPI Tracker				Appendix ii
Performance Measures	Target	Frequency	2023/24	Notes
Individual users of centres	45638	Annual	64,086	
No. of visits to centres	1122516	Quarterly	918437	Some issues with access control at Newbold in Autumn 2023 and Castle farm for first 4-6 weeks
No. of membership users	6350	Quarterly	7071	Includes Castle Farm
No. of EA cards issued	16508	Quarterly	11980	Includes Castle Farm
No. of individuals on swimming lessons	2707	Quarterly	2775	Swim teacher shortages experienced at Newbold in first part of year 2023 affecting scheme size
No. of visits of concessionary users	245832	Quarterly	90302	
No. of visits of users of pensionable age	81574	Quarterly	77425	
No. of visits of users with a disability	3550	Quarterly	1508	
No. of visits of women and girls	378436	Quarterly	349813	
No. of male GP referral completers	8	Annual		
No. of female GP Referral completers	10	Annual	60 Total	Can no longer report on gender unless every record is opened and investigated
No of GP Referral Starters	64	Annual	111	Those who attended first appointment and so officially started the programme
No Of GP Referrals			155	
Submission of accounts	Audited set of accounts received by 30th Sept	Annual	Yes	
Prompt payment of Profit Share is due	Profit share received as per contract	Annual	Yes	
Quest Accreditation by site	St Nicholas Park	Annual	Excellent	2023
	Newbold Comyn	Annual	Excellent	2023
	Castle Farm	Annual	N/A	Date for assessment TBA
	Abbey Fields	Annual	N/A	
% of customers satisfied or very satisfied with overall service	0.8	Annual	0.93	Extremely Satisfied & Satisfied
% of customers dissatisfied or very dissatisfied with overall service	0.2	Annual	0.07	Dissatisfied & Very dissatisfied
Quantity feedback received	262	Annual	905	Overall surveys returned
		Annual		
Staff satisfaction levels	7.3	Annual	8.4	2023 survey - 84% of colleague respondents satisfied with their jobs
No. of customer accidents (accident form completed)	To not exceed industry standard (HSE data)	Quarterly	1.18	per 10,000 Industry standard is 6
No. of accidents reported to HSE		Quarterly	0	None reported to HSE
Percentage of workforce residents of district	0.73	Annual	0.7	Payroll data
No. of apprentices	8	Annual	14	
No. of local companies used in Operators supply chain	9	Annual	8	
No. of Active Community projects in partnership with WDC	16	Annual	8	
% of WDC residents (16+) participating for less than 30 mins/wk	0.21	Annual	0.189	Sport England report latest figs Nov 2022
% of WDC residents (16+) participating for 30 - 149 mins/wk	0.11	Annual	0.11	Sport England report latest figs Nov 2022
% of WDC residents participating for more than 150 mins/wk	0.68	Annual	0.701	Sport England report latest figs Nov 2022
Newbold Comyn DEC	51	Annual	43	B
St Nicholas Park DEC	39	Annual	41	B
Castle Farm DEC	34	Annual	25	A
Abbey Fields DEC	57	Annual	N/A	N/A

Quest National Ranking – Sites that have achieved Excellent rating

League Table - Total no of sites: 63						
Search...						
National Rank	Operator Rank	Operator	Site Name	Complete Date	Band	
4	1	EVERYONE ACTIVE	WESTMINSTER LODGE LEISURE CENTRE	2023-09-26	Excellent	
6	2	EVERYONE ACTIVE	HEMEL HEMPSTEAD LEISURE CENTRE	2023-11-01	Excellent	
7	3	EVERYONE ACTIVE	ASHBY LEISURE CENTRE AND LIDO	2024-05-07	Excellent	
8	4	EVERYONE ACTIVE	COTLANDSWICK LEISURE CENTRE	2023-11-14	Excellent	
10	5	EVERYONE ACTIVE	ST NICHOLAS PARK LEISURE CENTRE	2023-09-14	Excellent	
11	6	EVERYONE ACTIVE	SOUTHAM LEISURE CENTRE	2024-05-08	Excellent	
12	7	EVERYONE ACTIVE	PINGLES LEISURE CENTRE	2024-01-02	Excellent	
13	8	EVERYONE ACTIVE	NEWBOLD COMYN LEISURE CENTRE	2023-10-13	Excellent	
14	9	EVERYONE ACTIVE	HARPENDEN LEISURE CENTRE	2023-11-21	Excellent	
15	10	EVERYONE ACTIVE	THE ERIC MORECAMBE CENTRE	2024-04-24	Excellent	
Showing 1 to 10 of 25 entries				Previous	1	2 3 Next



SOCIAL VALUE CALCULATOR REPORT

OPERATOR NAME :
EVERYONE ACTIVE

REPORT DATE:
11.06.2024







1 - FILTERS

4GLOBAL Social Value Calculator uses filtering based on date, location, demographics, membership and activity type. The following filters have been selected to generate this Social Value report.

DATE	04-2023 to 03-2024
BENCHMARK PERIOD	Same period 2 years ago
LOCATION	WARWICK CONTRACT
DEMOGRAPHICS	Gender: All Age: All
CASUAL / MEMBER	All
MEMBERSHIP TYPE	All
ACTIVITY TYPE	All



2 - SOCIAL VALUE DASHBOARD

The dashboard displays the main Social Value KPIs based on selected filters: 1-Total social value generated, 2-Total number of participants generating social value 3-Average social value per person, 4-Average social value per site. The total social value is then broken down by month within the selected time period and benchmarked against the same time period from the previous year.

TOTAL SOCIAL VALUE

£3,677,393

TOTAL SV PARTICIPANTS

31,493

SOCIAL VALUE PER PERSON

£117

SOCIAL VALUE PER SITE

£612,899

TOTAL SV

Apr-21 Mar-22 vs Apr-23 Mar-24



TOTAL SV PER MONTH

Apr-21 Mar-22 vs Apr-23 Mar-24



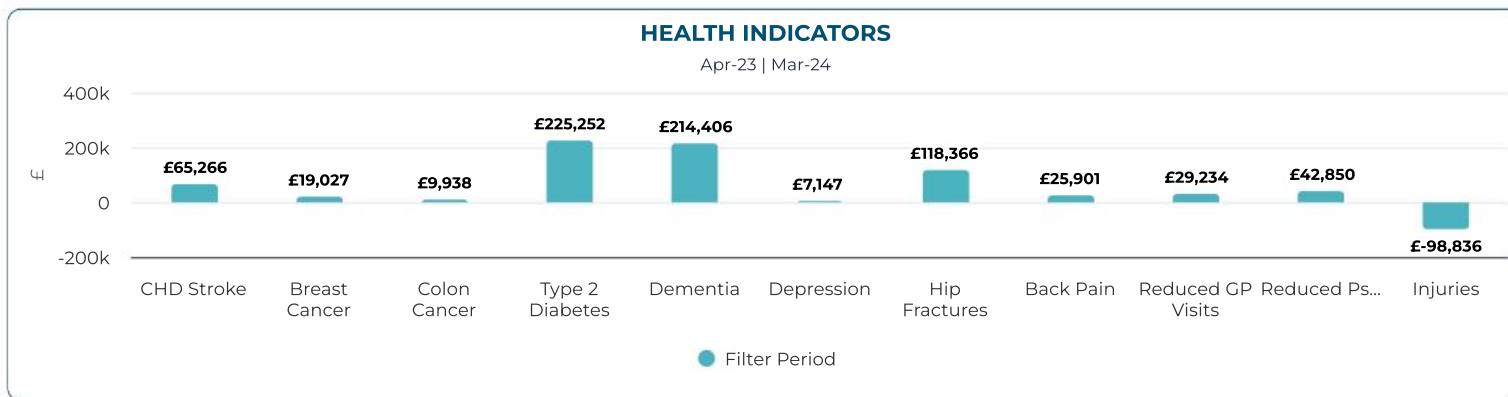
YOY (Apr-21 Mar-22 vs Apr-23 Mar-24) ▲

+23.02%

MONTH ON MONTH CHANGE (Mar-22 vs Mar-24) ▲

+32.48%

INDICATORS



HEALTH INDICATORS

The Social Value for **Physical and Mental Health** is calculated based on the health care cost savings for eight health outcomes based on the reduced risk and prevented cases combined with the reduced GP visits & psychotherapy usage for physically active people.

The Subjective Wellbeing outcome refers to the increase in life satisfaction. It is calculated by multiplying the value of increased wellbeing derived from a participant's engagement in sport by the number of unique people taking part.

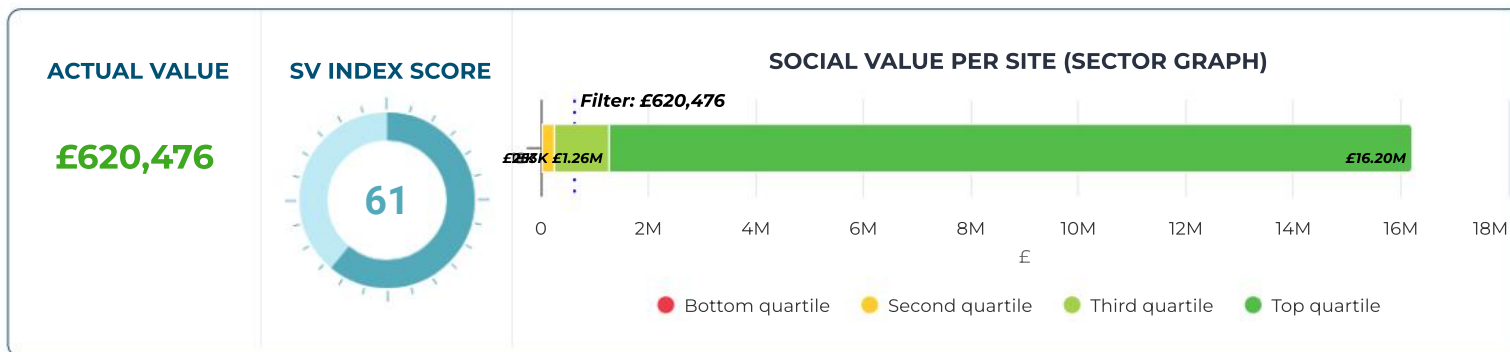
Individual Development refers to the improvement in educational attainment and higher starting salaries gained through participating in sport at university.

Social and Community Development outcome represents the rates for young males and the social capital based on improved networks, trust and reciprocity.



3 - BENCHMARKING

This section provides comparisons for the selected KPIs (social value per site, social value per person and social value growth) against the sector benchmarks. For each KPI, you can see the Actual Value, the Index Score and the Sector Graph, which groups all individual sites from the sector into four quartiles based on their performance in the selected KPI.



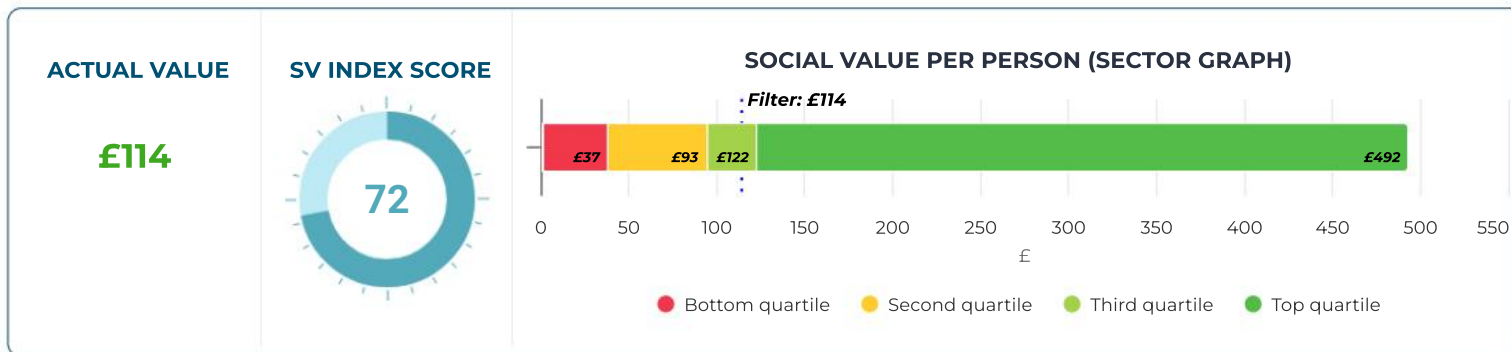
SOCIAL VALUE PER SITE

The average social value generated by each site within the selected time period is calculated by the division of the total social value generated by the operator by the number of sites included in the filter. This value is then benchmarked with all sites the sector on the quartile graph.

Actual Value: The actual social value delivered by the operator (or the selected sites) within the selected time period.

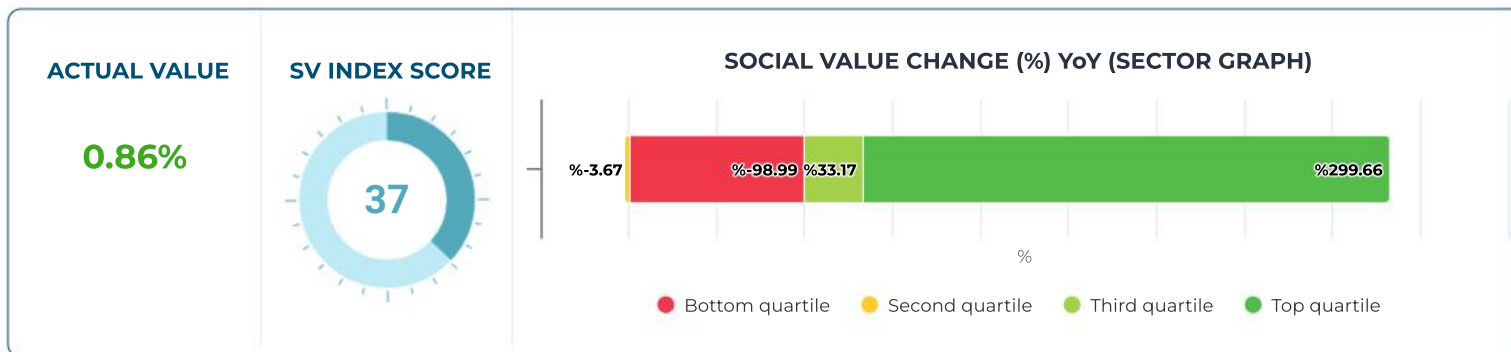
Index Score: The percentage score (1 to 100) given to the operator (or the site) based on their performance against the rest of the sector – a higher score represents better performance (i.e. 100 is the best performing site/ operator).

Sector Graph: The graph with all sites from the sector matching the selected filters grouped into four quartiles based on their performance – i.e. Top Quartile includes the best performing 25% of the sites in the sector and Bottom Quartile included the worst performing 25% of the sites in the sector for the selected KPI.



SOCIAL VALUE PER PERSON

Average social value generated by each person within the selected time period. This value is calculated by the division of the total social value by the number of participants that generated social value.



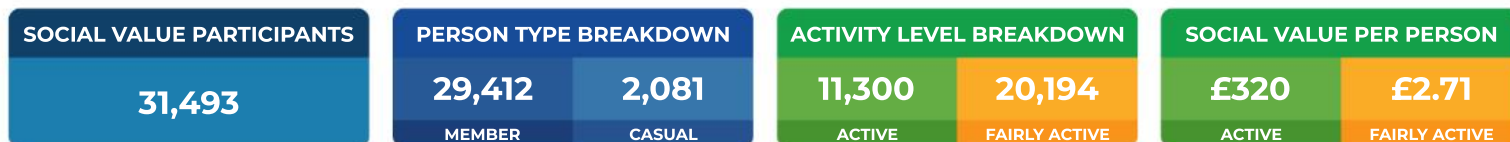
SOCIAL VALUE CHANGE (%) - YOY

This value represents the change in social value generated by the selected operator/site compared to the same time period in the benchmark year.



4 - PEOPLE OUTCOMES

This section focuses on the activity levels of individuals required to generate social value following the WHO guidelines for physical activity. Social value is generated for 'active' participants at the physical activity threshold of 150+ minutes per week of moderate activity. In addition, for health outcomes, social value is also generated for 'fairly active' participants (30-149 minutes) based on the reduced risk of developing various health conditions.



NOTES

In addition to the activity level classification based on the activity duration within the month, each member is assigned to a demographic segment based on their age and gender and to a Mosaic segment based on their postcode information. These three indicators (activity level, demographic and Mosaic segmentation) combined are used to determine the risk reduction rates for health outcomes and impact the social value generated.

Social Value Participants: The total number of unique individuals (member and casual users) that generated social value within the selected time period.

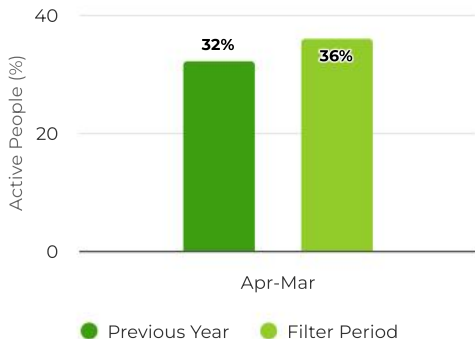
Person Type Breakdown: Members are defined as facility users with an active subscription (paid or unpaid) to use the facility. Casuals are all facility users without an active subscription using the facility to do physical activity occasionally or regularly.

Participant Breakdown: The total number of Active (150+ minutes per week) and Fairly Activity (30-149 minutes per week) participants averaged across a month, including members and casual users.

Social Value Per Person: Average social value generated by each Active (150+ minutes per week) and Fairly Active (30-149 min per week) person within the selected time period

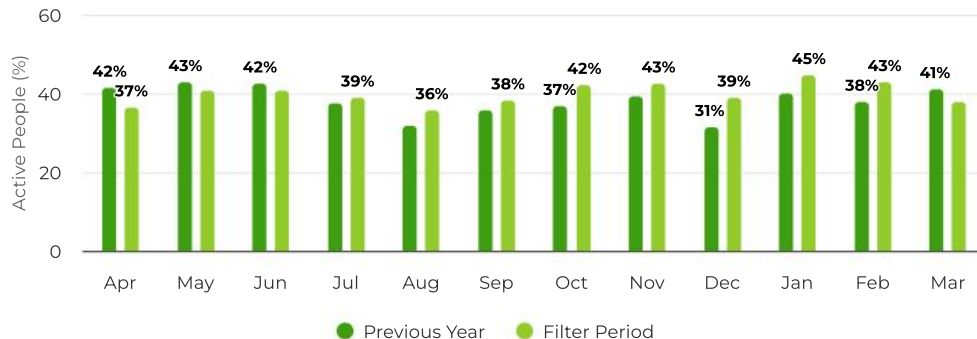
TOTAL ACTIVE PEOPLE (%)

Apr-21 Mar-22 vs Apr-23 Mar-24



ACTIVE PEOPLE (%) PER MONTH

Apr-21 Mar-22 vs Apr-23 Mar-24



TOTAL ACTIVE PEOPLE

In the above graph, the percentage of active people (150+ minutes per week) over total number of leisure centre users for each month within the selected time period is compared with the same time period in the benchmark year.

PHYSICAL & MENTAL HEALTH

31,142

SUBJECTIVE WELLBEING

9,756

INDIVIDUAL DEVELOPMENT

1,690

SOCIAL & COMM. DEV.

10,118

SV PARTICIPANTS PER OUTCOME

Total number of unique individuals (members and casual users) that generated social value in four outcome areas - physical and mental health, subjective wellbeing, individual development and social and community development are displayed above.



5 - LEAGUE TABLE

The data tables in this section display the main social value KPIs for the top five regions, contract and sites of the operator based on selected filters with comparisons against the same period in the previous year. The full tables are available in SVC3 and can be exported in excel, csv and pdf format.



SOCIAL VALUE LEADERBOARD

The region, contract and leisure centre of the operator generating the highest total social value within the selected time period are displayed in the above KPI boxes. In addition, the leisure centre with the highest growth in social value generation is presented with its year-on-year growth rate.

LEAGUE TABLE - REGION (TOP 5)

REGION	SOCIAL VALUE (FILTER PERIOD)	SV YOY % CHANGE	PEOPLE COUNT (FILTER PERIOD)	AVG VALUE PER PERSON (FILTER PERIOD)	AVG SV YOY % CHANGE
WEST REGION	£3,677,393	+23.02%	31,493	£117	+12.64%

LEAGUE TABLE - CONTRACT (TOP 5)

CONTRACT	REGION	SOCIAL VALUE (FILTER PERIOD)	SV YOY % CHANGE	PEOPLE COUNT (FILTER PERIOD)	AVG VALUE PER PERSON (FILTER PERIOD)	AVG SV YOY % CHANGE
WARWICK CONTRACT	WEST REGION	£3,677,393	+23.02%	31,493	£117	+12.64%

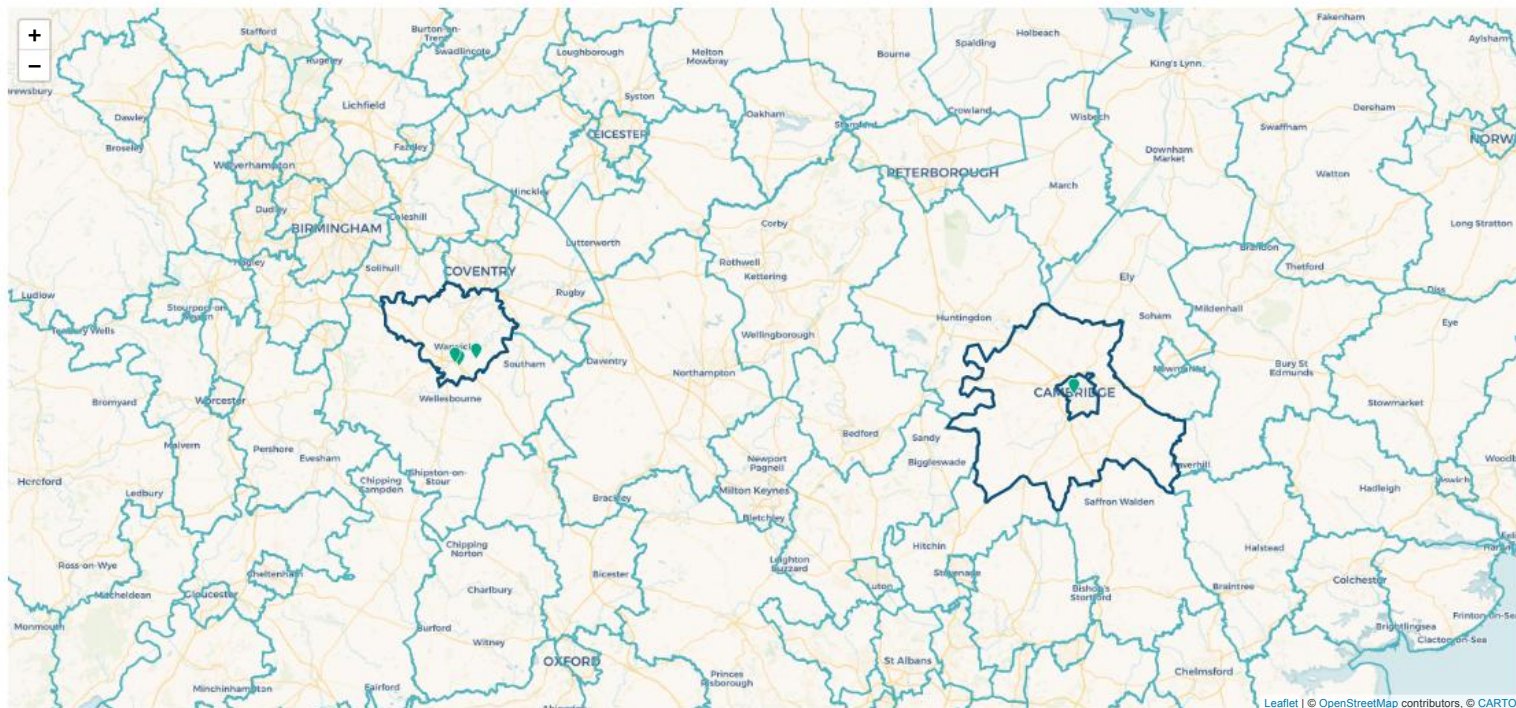
LEAGUE TABLE - SITE (TOP 5)

SITE	CONTRACT	REGION	SOCIAL VALUE (FILTER PERIOD)	SV YOY % CHANGE	PEOPLE COUNT (FILTER PERIOD)	AVG VALUE PER PERSON (FILTER PERIOD)	AVG SV YOY % CHANGE
NEWBOLD COMYN LEISURE CENTRE	WARWICK CONTRACT	WEST REGION	£1,984,047	+23.28%	17,935	£111	+6.09%
ST NICHOLAS PARK LEISURE CENTRE	WARWICK CONTRACT	WEST REGION	£1,400,329	+33.30%	10,312	£136	+24.68%
CASTLE FARM LEISURE CENTRE	WARWICK CONTRACT	WEST REGION	£257,467	0.00%	2,745	£94	0.00%
JOHN ATKINSON SPORTS CENTRE	WARWICK CONTRACT	WEST REGION	£17,905	+22.00%	267	£67	+16.38%
MEADOWS COMMUNITY CENTRE	WARWICK CONTRACT	WEST REGION	£17,638	-37.62%	232	£76	+8.86%



6 - MAP

The heat map displays the social value generated by the selected sites on a map view using the same filters from the dashboards.





datahubclub.com

Building 7,
Chiswick Business Park
566 Chiswick High Road
London W4 5YG, UK
Phone : + 44 (0) 208 123 4693



Everyone Active's Carbon Reduction Plan (June 2024)

Commitment to Achieving Net Zero

As set out in our [Net Zero Strategy](#), Sports and Leisure Management Limited (SLM), trading as Everyone Active, and all its' wholly owned subsidiaries, are committed to achieving net zero emissions by 2030, or in line with our local authority partners' target dates as a priority. SLM is also certified to ISO 14001:2015 Environmental Management Systems covering all leisure and cultural facilities which we operate in partnership with our local authority partners.

Carbon Accounting Methodology

Our carbon emissions were calculated in accordance with the Greenhouse Gas Protocol, covering all seven Kyoto Protocol greenhouse gases. Carbon emissions factors of the relevant reporting year provided by the Department for Energy Security and Net Zero (previously the Department for Business, Energy & Industrial Strategy) were adopted. Data were reported in line with our Streamlined Energy and Carbon Reporting (SECR) based on our financial year cycle of April to March.

For gas and electricity consumptions, invoice data were taken as the primary data source, followed by half-hourly data from automatic meter readings if invoice data were not available in time of reporting, then by in-house daily meter reads if invoice and half-hourly data were both unavailable.

In some cases, there are instances of missing data due to supplier changes, site acquisitions and contract end dates. To address these gaps, we have applied estimations to fill in the missing data. These estimations were calculated either by extrapolating available data from the reporting period or by utilising data from previous years as a proxy.

Reporting Boundaries

Carbon emissions data were reported on an operational control basis, with the following boundary:

Scope 1: Natural gas combustion within boilers, road fuel combustion within owned/leased vehicles, and fugitive emissions from refrigerants in air-conditioning equipment, and onsite renewable energy generation.

Scope 2: Purchased electricity consumption for our own use, and electricity consumption from electric vehicles owned/leased by the company. Both market-based and location-based emissions were calculated. For simplicity, only market-based Scope 2 emissions was reported, as this emission factor is specific and would more accurately reflect the actual emissions arising from electricity which SLM purchased.

Scope 3: Fuel and Energy Related Activities (FERA), water, waste, wastewater treatment, employee commuting, and business travel.

We have identified the above Scope 3 emissions as material to the company's operation through a materiality assessment and have started reporting from FY2022/2023. We have also started gathering data for reporting emissions associated with the upstream and downstream transportation and distribution, which are relevant to our key suppliers and customers travel. In future years, we will expand our Scope 3 reporting to cover the above-mentioned categories, and also capital goods as well as purchased goods and services when we have robust data. This is in line with industry best practices.

Emissions Intensity Metrics: Given the nature of our business, there will be changes in the number of facilities the company operates year-on-year. As such, Scope 1 & 2 carbon emissions intensity was also reported as a normalised reference. We have adopted emissions per facilities as the intensity metric since the baseline year and have included emissions per floor area from FY2023/2024 as an additional intensity metric.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. We have adopted FY2019/2020 as the baseline year.

Baseline Year: FY2019/2020

Our baseline year emissions covered Scope 1 and 2 emissions as outlined in the Carbon Accounting Methodology and Reporting Boundaries sections above. Scope 3 emissions were not reported for the baseline year as relevant data were not collected at that time.

EMISSIONS	TONNES CO ₂ e
Scope 1	38,324
Scope 2 (market-based)	14,331
Scope 3	Not reported (see “Reporting Boundaries” for explanation)
TOTAL	52,655

EMISSIONS INTENSITY	TONNES CO ₂ e per Facility
Number of Facilities	154
Scope 1 & 2	342

Current Emissions Reporting: FY2023/2024

EMISSIONS	TONNES CO ₂ e
Scope 1	41,097
Scope 2 (market-based)	12,604
Scope 3	18,374 (see “Reporting Boundaries” for coverage)
TOTALS	
Scope 1 & 2	53,700
Scope 1, 2 & 3	72,075

EMISSIONS INTENSITY	TONNES CO ₂ e per Facility	kg CO ₂ e per m ² Floor Area
Number of Facilities	187	
Scope 1 & 2	287	72.6
Scope 1, 2 & 3	385	97.4

Emissions Reduction Targets

In order to continue our progress to achieving net zero, we have adopted the following carbon reduction targets:

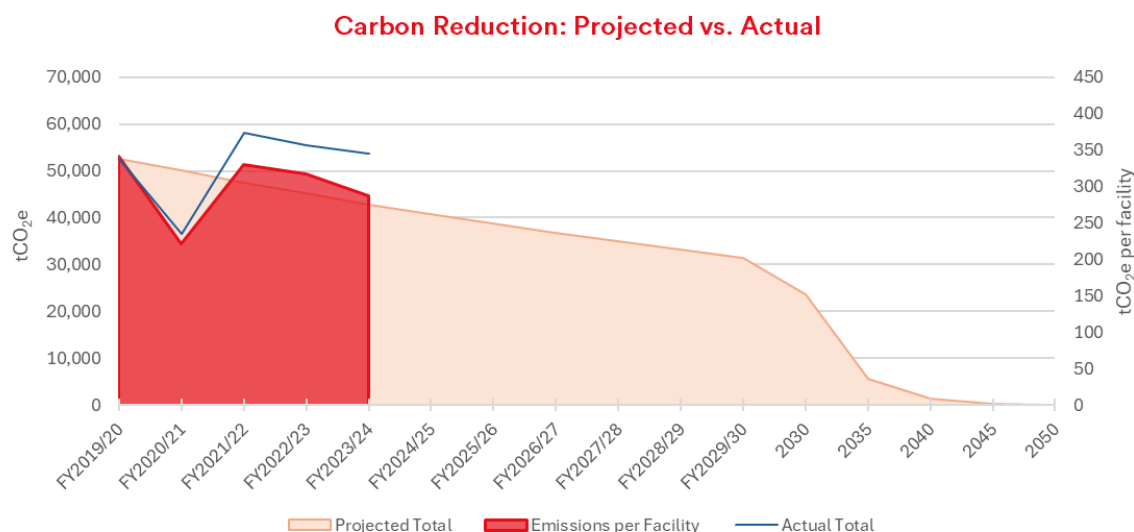
Making Our Head Office (Support Hub) Net Zero, with onsite solar, 100% renewable energy (REGO), heat pumps to replace natural gas and smart building controls.

Making Our Corporate Operations Net Zero by the end of 2030, covering Scope 1, Scope 2 and material Scope 3 emissions by changing all company-owned and leased vehicles to plug in electric, installing charging infrastructure, upskilling and engaging all colleagues, and engaging and supporting key suppliers to set and report targets. We also work alongside the facility-focussed targets below for onsite renewable energy, low-carbon and energy-efficient technological interventions (such as heat pump and other optimisations).

To be the Leading Provider of Operationally Net Zero Facilities, through:

- Switching to 100% renewable energy (REGO) by 2030 or in line with our Local Authority Partners’ ambitions.
- Targeting to have more than 80 leisure facilities with onsite renewable energy by 2025.
- Targeting to have at least 15 additional leisure facilities with heat pumps or other interventions to remove or significantly reduce reliance on natural gas for heating by 2026.
- Maintaining 100% waste diversion from landfill at all sites and further increase recycling rate.
- Establishing year-on-year energy reduction and recycling targets for all operating facilities to ensure progress.

We project that carbon emissions will decrease to at least 23,600 tCO₂e by 2030. This is a reduction of 55% against the baseline year. Progress against these targets can be seen in the graph below:



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the FY2019/2020 baseline. While total Scope 1 & 2 carbon emissions had slightly increased by 2% (1,045 tonnes) against the baseline, the number facilities which the company operated in FY2023/2024 had significantly increased by 21%.

This equated to a 16% carbon emissions reduction per facility against the FY2019/20 baseline. These measures will be in effect when performing the contract if relevant and practicable, and across the whole organisation. We monitor, review, and take necessary actions to continually optimise through our internal procedures alongside our ISO 14001:2015 Environmental Management Systems.

Energy Performance Improvement & Decarbonisation Projects

We have invested in and supporting our local authority partners to do the same to increase operational & energy efficiency at our facilities. The following projects were undertaken at our facilities, where feasible and appropriate:

- Lighting upgrade to LED lighting and installation of PIR sensors, as well as LED/energy efficient flood lighting;
- Thermal insulation of plant pipework and heat recovery;
- Installation or upgrading of air handling units (AHU), installation of variable speed drive and pool covers;
- Installation or optimisation of building management systems;
- Boiler efficiency optimisation and brought online CHP units as an interim energy-efficient & low-carbon option;
- Deployment of onsite renewable energy, including solar photovoltaic (PV), solar thermal and solar carport;
- Multiple large-scale decarbonisation / PSDS funded projects for installation of heat pumps, solar thermal and other technologies to significantly reduce or eliminate gas usage.

Carbon Literacy & Capacity Building Initiatives

We have, and will continue to, strengthen awareness and carbon reduction knowledge through communications to employees and customers to drive changes, through initiatives such as:

- Having a sustainability governance structure in place with regular Board-level and working group level meetings and other communication sessions with regional, contract and site-level management teams to aid a robust mechanism on oversight and implementation.
- Having designated Carbon Reduction Coordinators at each facility driving carbon reduction, with specific training provided to them as well as monthly meetings with the Group Sustainability Manager;

- Having a regularly reviewed site-specific Energy & Water Reduction Plan for each facility;
- Engaging our colleagues and customers through the ongoing “Everyone Is Reducing Carbon” campaign;
- Providing mandatory tailored-to-role sustainability trainings to all colleagues, as well as in new colleague induction and annual refresher for existing colleagues;
- Having a strategic partnership with a market-leading renewable technology & energy consultancy, who is also a principal contractor, supporting our local authority partners along the decarbonisation journey from identifying opportunities to project delivery.

In the future, we will implement further measures such as:

- Providing proactive support to our local authority partners on project implementation of solar PV and other technological interventions with capital grant from the Swimming Pool Support Fund (SPSF);
- Continue to work closely with our local authority partners, supporting them to capture funding opportunities, such as the Salix Low Carbon Skills Fund (LCSF) and Public Sector Decarbonisation Scheme (PSDS), as well as other funding opportunities to make the facilities more energy-efficient and ultimately achieving net zero;
- Continually review and assess the applicability of new and emerging energy-efficient, water-efficient and low-carbon technologies and solutions, drive waste reductions further, encourage active & sustainable travel, so that we play our part in reducing environmental impacts, supporting our local authority partners’ wider net zero plan.
- Continue and expand our work in engaging key suppliers on reducing environmental impacts and emissions arising from our activities with them, such as reducing and eliminating single-use containers or supplies.
- Consider our key suppliers’ sustainability credentials in decision-making, consider sustainably sourced goods & services relevant to our operation where practicable. We are working to capture more robust data.
- Strengthen our efforts in advocacy through proactive participation and involvement in institutional organisations or industry bodies in the leisure & physical activities sector, and also in the net zero sector, to develop synergies.

Declaration and Sign Off

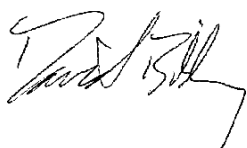
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

**This Carbon Reduction Plan has been reviewed and signed off by the SLM Board.
This Plan will be reviewed and updated annually.**

Approved on behalf of SLM:



David Bibby
Managing Director
4 June 2024

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³<https://ghgprotocol.org/standards/scope-3-standard>

Overview & Scrutiny Committee
8 July 2024

Title: Work Programme, Forward Plan & Comments from Cabinet
Lead Officer: Graham Leach, Head of Governance and Monitoring Officer
Portfolio Holder: Not applicable
Public report
Wards of the District directly affected: Not applicable

Summary

This report informs Members of Overview & Scrutiny Committee:

- (1) of the Committee's work programme for 2024-2025 (Appendix 1);
- (2) responses that Cabinet gave to comments and recommendations made by the Overview & Scrutiny Committee regarding the reports to Cabinet 5 June 2024 (Appendix 2); and
- (3) if a report on the General Fund Budget Medium Term Financial Strategy that was recently removed from the Work Programme by mistake and may need to be reinstated.

Recommendations

- (1) That Members consider the work programme (Appendix 1), the themes the Committee intends to scrutinise this year and agree changes to its Work Programme appropriately.
 - (2) That the Committee:
 - identifies any Cabinet items on the [Forward Plan](#) on which it wishes to have an input before the Cabinet makes its decision; and
 - nominates a Member to investigate that future decision and report back to the Committee.
 - (3) That Members note the responses made by Cabinet on the Comments from the Cabinet report (Appendix 2).
 - (4) That the Committee considers whether to reinstate the General Fund Budget Medium Term Financial Strategy report to the Work Programme and at which meeting the report should be presented.
-

1 Background/Information & Reasons for the Recommendation

- 1.1 The five main roles of overview and scrutiny in local government are: holding to account; performance management; policy review; policy development; and external scrutiny.
- 1.2 Two of the five main roles of overview and scrutiny in local government are to undertake pre-decision scrutiny of Cabinet decisions and to feed into policy development.

- 1.3 The pre-decision scrutiny of Cabinet decisions falls within the role of 'holding to account'. To feed into the pre-decision scrutiny of Cabinet decisions, the Committee needs to examine the Council's Forward Plan and identify items which it would like to have an impact upon.
- 1.4 The Council's Forward Plan is published 28 days before each Cabinet meeting and sets out the key decisions that are expected to be taken by the Cabinet in the next twelve months.
- 1.5 A key decision means a decision made in the exercise of an executive function by any person (including officers) or body which meets one or more of the following conditions:

- (1) The decision is likely to result in the Council incurring expenditure or the making of savings in excess of £150,000. Excluded from this are all loans to banks or other financial institutions made in accordance with the Treasury Management Strategy.

Officers' delegated powers to make the cabinet decisions are subject to the key decision/call-in regime where it is likely that the Council would incur expenditure or make savings above the threshold of £150,000.

In relation to letting contracts the key decision is the proposal to let a contract for a particular type of work. The subsequent decision to award the contract to a specific contractor will not be a key decision provided the value of the contract does not vary above the estimated amount by more than 10% for contracts with a value of up to £500,000 or 5% for contracts of over £500,000.

- (2) The decision is likely to be significant in terms of its effects on communities living or working in any two or more Wards.

In considering whether a decision is likely to be significant, a decision-maker will need to consider the strategic nature of the decision and whether the outcome will have an impact, for better or worse on the amenity of the community or quality of service provided by the Council to a significant number of people living or working in the locality affected.

- 1.6 The Forward Plan is considered at each meeting and allows the Committee to look at future items and become involved in those Cabinet decisions to be taken if members so wish.
- 1.7 The Forward Plan also identifies non-key decisions to be taken by Cabinet in the next twelve months, and the Committee, if it wishes, may also pre-scrutinise these decisions.
- 1.8 There may also be policies identified on the Forward Plan, either as key or non-key decisions, which the Committee could pre-scrutinise and have an impact upon how these are formulated.
- 1.9 The Committee should be mindful that any work it wishes to undertake would need to be undertaken without the need to change the timescales as set out within the Forward Plan.

Agenda Item 7

- 1.10 At each meeting, the Committee will consider its work programme and make amendments where necessary, and also make comments on specific Cabinet items, where notice has been given by 9am on the morning after Group meetings. The Committee will also receive a report detailing the response from the Cabinet, on the comments the Committee made on the Cabinet agenda in the previous cycle.
- 1.11 The Committee will consider issues that have due significance with reference to the following criteria:
 - The number of residents impacted and the significance of that impact.
 - The amount of spend involved.
 - It concerns a strategic priority of the Council or key project.
- 1.12 On the day of publication of the Cabinet agenda all Councillors are sent an e-mail asking them to contact Committee Services, by 09.00am on the day of the Overview and Scrutiny Committee meeting to advise which Cabinet items they would like the Committee to consider.
- 1.13 The proposed plan at Appendix 1 has been developed in order for the Committee to focus on the four agreed core themes (Risk, Climate Emergency Action Plan, Medium Term Financial Strategy and Corporate Strategy).
- 1.14 At the Committee's 23 January 2024 meeting, a report on the General Fund Budget Medium Term Financial Strategy was requested for the Committee's meeting in April 2024. This was wrongly removed from the Work Programme whilst the usual Committee Services Officer dealing with Overview & Scrutiny Committee was on annual leave. The Committee now needs to decide whether to reinstate the report to the Work Programme and if so, at which meeting the report should be considered.

**Response from the meeting of Cabinet on the O&S Committee's Comments –
Wednesday 5 June 2024**

Item 4 – West Midlands Investment Zone

Scrutiny Comment:

The Overview & Scrutiny Committee explored questions around Governance and were reassured that the transparency required was present.

The Committee were keen for the Council to retain the right to define what constituted a "Local Growth Initiative".

The Committee supported the proposal as set out in the report and thanked officers for their hard work.

Recommendation

The Committee recommended that the Chair of the Overview and Scrutiny Committee (for the municipal year 2024/2025, Councillor Andrew Milton) be added to the List of Consultees at LCG and Cabinet.

The Cabinet is required to vote on this because it forms a recommendation to it.

Cabinet Response:

The recommendations in the report were approved.

Criteria for Items on the work plan	Scheduled Meeting dates
1. High Risk 2. High Value 3. Major Project 4. Decreasing Performance 5. Statutory/Constitution requirement	4/6/2024 8/7/2024 30/7/2024 (NC) 3/9/2024 24/9/2024 (NC) 15/10/2024 13/11/24 (NC) 3/12/2024 21/1/2025 (NC) 4/2/2025 18/2/2025 (NC) 18/3/2025 *NC = No Cabinet meeting

Agenda Item 7

Appendix 1 – Overview & Scrutiny Committee Work Programme

Title	Lead Officer / Councillor	Meeting Date	Where did item originate from	Notes	Continue?
To appoint Labour members to the Budget Review Group		8/7/2024	Previous meeting (4/06/2024)		5
Appoint Children's and Adults' Safeguarding Champion		8/7/2024	Previous meeting (4/06/2024)		5
Quarterly Budget Update	Steven Leathley Councillor Chilvers	TBC			1 & 2
Risk Management Policy & Significant Risk Register	Chris Elliott, Ian Davy Councillor Davison	8/7/2024 & Cabinet 10/07/2024 Has to be approved by Cabinet on 10 th July	Forward Plan ref 1374		Yes to identify themes and risks
Leisure Services Provider 2017 – contract ref WDC0108	Marianne Rolfe Councillor Sinnott	8/7/2024	O&S Feb 2024 and also 26 March 2024	See minutes of 26 March 2024 meeting for content the Committee wish to see covered in the report.	2
General housing repairs & voids Contract ref WDC0007	Steve Partner	30/7/2024	O&S Feb 2024	List of points that should	

Appendix 1 – Overview & Scrutiny Committee Work Programme

Title	Lead Officer / Councillor	Meeting Date	Where did item originate from	Notes	Continue?
	Councillor Wightman			be covered in the report are in the minutes of 6 Feb meeting. On 12 March 2024, the CSO advised the two Heads of Service (SP and LB) that the report was required for July meeting. A reminder will be sent nearer the time.	
Change Programme – Case for Change – a specific update on Change Programme progress following the Programme Board meeting scheduled in June 2024.	Darren Knight	30/7/2024	O&S 5 March 2024		
Future High Streets Fund update – if everything is on track, the Committee will accept a short report to this effect following liaison with the O&S Chair.	Martin O'Neill	30/7/2024	O&S February 2023	Every 3 months until further notice	1, 2, and 3
Climate Change Action Programme Update (and discussion paper on how best to focus and scrutinise the five themes below) 1. Offsetting and any potential for getting involved in early policy development; 2. Issue of adaptation;	Dave Barber Councillor Davison	30/7/2024	O&S Jan 2024		2&3

Appendix 1 – Overview & Scrutiny Committee Work Programme

Title	Lead Officer / Councillor	Meeting Date	Where did item originate from	Notes	Continue?
3. Data tracking (including carbon emissions) and how this can be most efficient. 4. Biodiversity Action Plan 5. Residents Engagement & Communication					
Homelessness - Committee to discuss and formulate a brief for a report to be considered (date for the meeting when the report will be considered TBC).	Discussion lead by the Chair.	30/7/2024	O&S 5 March 2024		
Joint Cabinet called in items	Discussion lead by the Chair	30/07/2024	Joint Cabinet meeting called on 1 August		
Quarterly Budget Updates	Steven Leathley Councillor Chilvers	3/9/2024 (Cab report)			1 & 2
Six-month post opening update on the "Relocation of Office Accommodation and the Provision of Public Facing Access to Council Services, including, financial cost of each aspect, savings, communication and residents feedback	Steve Partner Dave Elkington Tracy Dolphin Councillor J Harrison	15/10/2024			3
Quarterly Budget Updates	Steven Leathley Councillor Chilvers	15/10/2024 (Cab report)			1 & 2

Appendix 1 – Overview & Scrutiny Committee Work Programme

Title	Lead Officer / Councillor	Meeting Date	Where did item originate from	Notes	Continue?
Park Exercise Permit Report on how the scheme has performed along with some data, including date on how much of officers' time is being spent with the implementation and governance of the scheme	Ann Hill / Councillor Sinnott	15/10/2024	Cabinet 10 April 2024 and O&S 9 April 2024		
Corporate Strategy - the Corporate Strategy should be reviewed on a yearly basis, in the same way that the annual governance statement comes through scrutiny to make sure the Council is properly governed. More specifically, the Committee would like to see an annual strategy progress update, looking at the big picture and how the Council is working towards its goals and values <i>"In response to the request from the Overview & Scrutiny Committee to provide clarity on the review process on the "who, what, when and how", this would be set out in the first annual report to Overview & Scrutiny Committee in November 2024".</i>	Chris Elliott Councillor Davison	13/11/2024 (NC)	O&S 3 October 2023		3
Council's Performance Data – to help shape the data in a positive and constructive way	Graham Leach Councillor Davison	13/11/2024 – subject to Review with Chair & Vice Chair of Committee, in			3 & 4

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		early July, of SAP performance and new Policy, Performance & Complaints Manager in post.			
Milverton Homes (MH) – the Committee has requested a specific meeting be set up around the time that the Milverton Homes’s AGM is held. There was a suggestion that non-executive directors from MH could be invited to attend. Also see the Summary of Comments from O&S meeting 9 April (confidential version). Graham Leach and Andrew Rollins were advised of the requirements following 9 April meeting.	Andrew Rollins	November 2024 A non-Cabinet meeting to coincide around the time of the Milverton Homes AGM specifically to discuss MH.	O&S 9 April 2024		
Quarterly Budget Updates	Steven Leathley Councillor Chilvers	4/2/2025 (Cab Report)			1 & 2
O&S End of Term report.	Committee Services Officer.	18/3/2025	Standing Annual Item, Constitution requirement	Annual report - last scheduled O&S meeting in the municipal year.	5

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<p>Summary of the role, responsibilities and performance of the SWCSP.</p> <p>Invite Councillor Falp (non-Exec rep) and the PH Safer Communities to O&S (This report was originally scheduled 2023/24 so the reps for that year were Councillors Sinnott and Falp)</p> <p>See minute 76, 6 February 2024 for details requested in the report.</p>	Liz Young / Marianne Rolfe.	18/03/2025	This is a Statutory requirement	Annual report next due March 2026	5
Elect a Chair and Vice Chair if this was not done after Annual Council		May 2025	Standing Annual Item on the agenda	On-going at the first meeting of each Municipal Year	5
To appoint members to the Budget Review Group (add the Group's remit which is saved to the annex in the Constitution)		May 2025	Standing Annual Item on the agenda.		5
Appoint Children's and Adults' Safeguarding Champion		May 2025	Standing Annual Item on the agenda.		5

Scheduled Briefing Notes to All Councillors requested by the Committee

Title	Lead Officer	Update Due by (end of Month)
Children's and Adults' Safeguarding Champions: End of Term Report.	Marianne Rolfe/Jane Rostron	April every year
Members' Annual Feedback on Outside Appointments / Annual review of membership/participation of Outside Bodies (Includes a short synopsis on Champions)	Graham Leach (report collated by the Scrutiny Officer)	April every year
Review on the Identification and Remediation of Damp and Mould in Council Homes to include: <ul style="list-style-type: none"> • What was happening with the policy; • Was it being put into action; and • The impact it has made 	Steve Partner Councillor Wightman	April 2024
Noise Nuisance Investigations: Review of the Policy and the service area's performance in respect of all forms of noise nuisance more generally. – Moved to briefing paper to all Councillors for information setting out performance and append to work plan for comment consideration of further scrutiny	Marianne Rolfe	April 2024
Minimum Energy Efficiency Standards Enforcement Process – Private Sector Housing - Briefing for all Councillors of how this process is working.	Paul Hughes Councillor Wightman	June 2024

Agenda Item 7
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Title	Lead Officer	Update Due by (end of Month)
Update - plans to improve accessibility to, and the condition / cleanliness of, toilets and play areas for people living with disabilities. - Update to all Councillors from Officers on the work that has taken place following the meeting at Committee.	Zoe Court Councillor Roberts	June 2024
Review additional Licensing Scheme to include: <ul style="list-style-type: none"> • How effective it had been. • How many licenses had been issued. • Was there enough resources in place 	Paul Hughes Councillor Wightman	August 2024
<p>Resident Engagement Strategy (report to Cabinet August 2023). The Committee is keen to understand a) how is it going? And b) what are we learning? (include some examples of changes that have been made as a result of the consultation.) - Change to Councillor Briefing session in first instance covering these areas. Also raised by Asset Compliance Committee as an area that needs to be understood</p> <p>The question that sits behind this is as-to whether this is a good use of the Council's resources. There are benefits to us as a Council from getting resident feedback and what we'd like to get is visibility of those. This is 'value for money' in its broadest sense (No need to come with figures and a ROI.)</p> <p>Housing is one of the biggest ways that we impact residents' lives and getting a bit more visibility amongst members of some of the good things we do but also some of the challenges residents face will be valuable"</p>	Sally Kelsall/ Councillor Wightman	September 2024

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Title	Lead Officer	Update Due by (end of Month)
Revised Arrangements for Destination Management Organisations	Martin O'Neil	Martin please advise