

Title: Leisure Services Provider 2017

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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

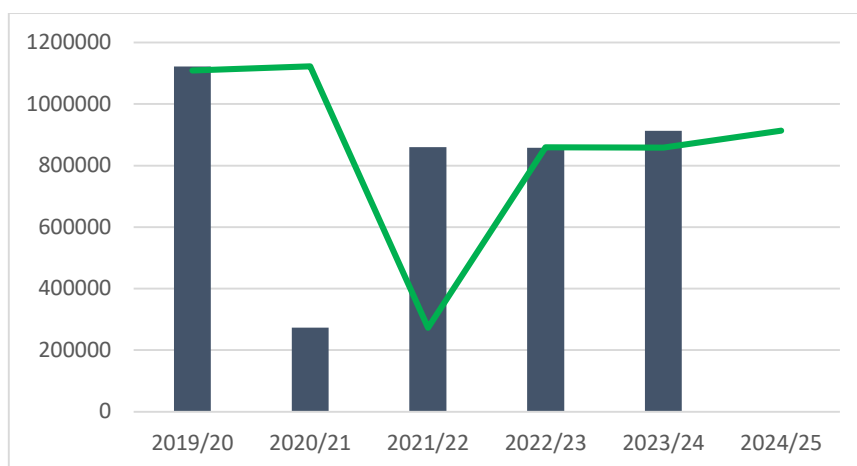


Table 2

	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

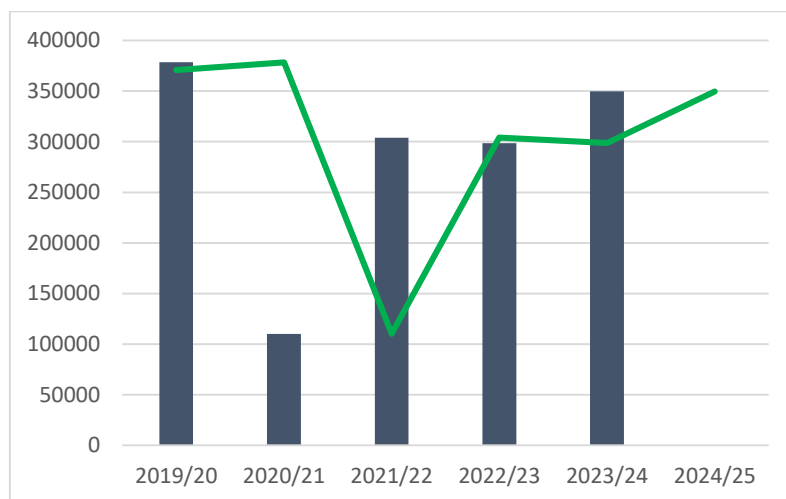
5.4.3 The following measures are Objective result Indicators, monitored within the service.

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.

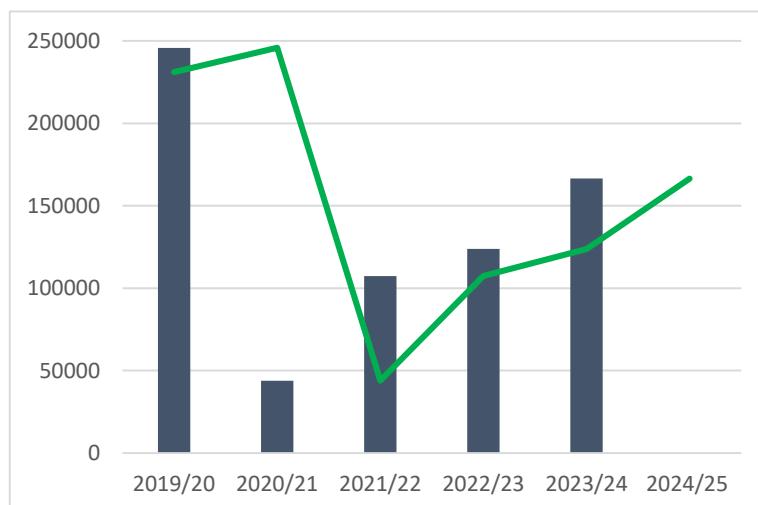
5.4.5 The service also monitors the inactivity levels of the community using an estimated percentage of adults aged 16 and over in the local area who are inactive as produced by the Active Lives Survey.

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

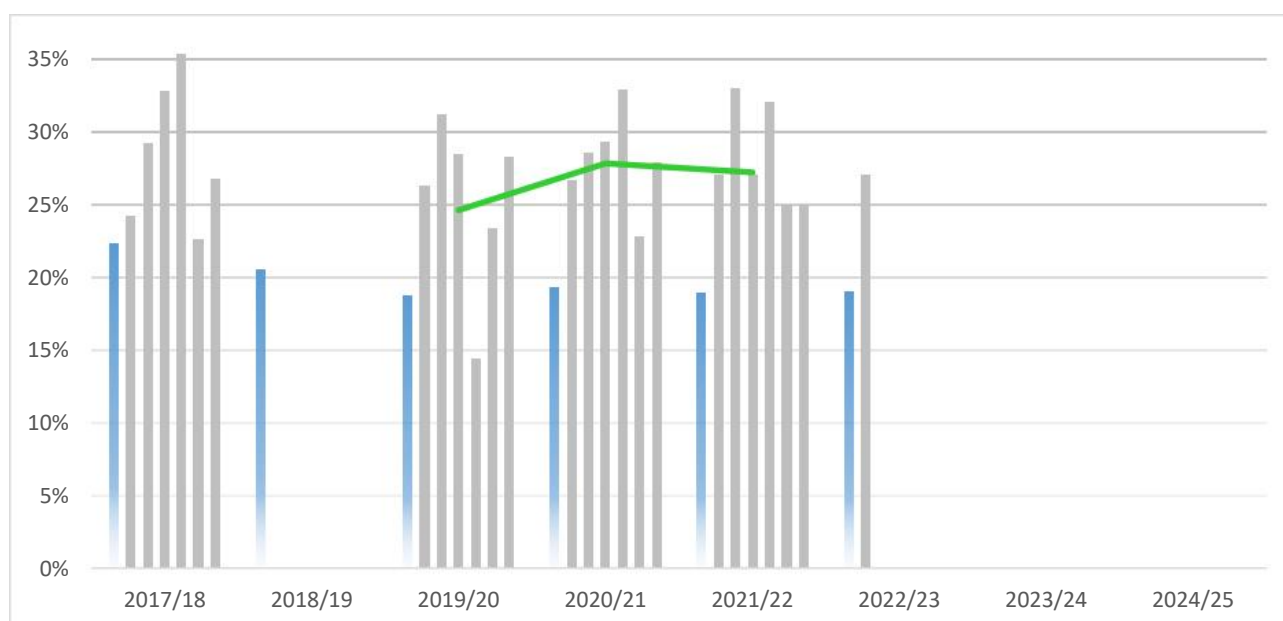


Table 3

	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)