



# Epping Forest District Council

## **PORTFOLIO HOLDER ADVISORY GROUP ON LEISURE MANAGEMENT**

**Tuesday, 16th June, 2015**

You are invited to attend the next meeting of **Portfolio Holder Advisory Group on Leisure Management**, which will be held at:

**Committee Room 2, Civic Offices, High Street, Epping  
on Tuesday, 16th June, 2015  
at 6.30 pm .**

**Glen Chipp  
Chief Executive**

**Democratic Services  
Officer**

Gary Woodhall  
The Directorate of Governance  
Tel: 01992 564470  
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### **Members:**

Councillors H Kane (Chairman), G Chambers, R Jennings, P Keska, R Morgan, G Shiell, E Webster and J H Whitehouse

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#### **1. APOLOGIES FOR ABSENCE**

(Director of Governance) To be announced at the meeting.

#### **2. TERMS OF REFERENCE (Pages 3 - 4)**

(Director of Neighbourhoods) To consider the attached report (LMC-001-2015/16).

#### **3. NOTES OF THE LAST MEETING (Pages 5 - 10)**

(Director of Governance) To agree the notes of the last meeting of the Portfolio Holder Advisory Group on the Development of a Leisure and Cultural Strategy for the District, held on 2 October 2014.

#### **4. PROCUREMENT OF THE NEXT LEISURE MANAGEMENT CONTRACT (Pages 11 - 12)**

(Director of Neighbourhoods) To consider the attached report (LMC-002-2015/16).

**5. FUTURE MEETINGS**

(Director of Neighbourhoods) To consider the future schedule of meetings for the Portfolio Holder Advisory Group.

## **Report to the Portfolio Advisory Group on Leisure Management**



**Epping Forest  
District Council**

**Report reference: LMC-001-2015/16**  
**Date of meeting: 16 June 2015**

**Subject: Terms of Reference – Portfolio Holder Advisory Group on Leisure Management**

**Responsible Officer: Derek Macnab (01992 564050).**

**Democratic Services: Gary Woodhall (01992 564470).**

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### **Recommendations/Decisions Required:**

**(1) The Portfolio Holder Advisory Group is asked to consider and agree the proposed Terms of Reference.**

### **Report:**

1. In December 2014 the Council adopted a new Leisure and Cultural Strategy (Appendix 1) which identified future need and the role that the District Council may play in the provision of future opportunities for people to lead healthier lives, contribute to community wellbeing and promote social inclusion.

2. The District Council currently provides a range of Leisure and Cultural Services to include Arts, Community and Sports/Health Development as well as the District Museum Service. These operate largely on an outreach basis, working closely with other partners in the public and voluntary sector, with a good track record of accessing external funding.

3. However, the most significant direct investment in leisure is the provision of the four Sports/Leisure Centres, currently managed under contract on the Council's behalf, by Sport and Leisure Management Ltd (SLM).

4. The 10 year contract with SLM is due to expire in January 2016. The Council therefore needs to start considering the future level of service it wishes to provide and importantly, what Leisure Management procurement and contractual options, it may wish to pursue.

5. All of these considerations need to be addressed in a strategic way. This is particularly true given that there are increasing demands on the Council's resources, resulting in a need to determine future priorities, alongside the changing socio-economic and demographic make-up of the District, with future levels of growth being determined by the Local Plan.

6. The Council has agreed to appoint a Portfolio Holder Advisory Group, the role of which will be to offer advice and guidance to the Leisure and Community Services Portfolio Holder in determining the specification for the contract and the scope of any new facilities.

7. The proposed Terms of Reference of the Portfolio Advisory Group are as detailed below:

(i) To assist in ensuring that the Council is in the best position to obtain a competitive and effective tender to deliver the desired outcomes of the Leisure and Cultural Strategy.

(ii) To review the current services provided under the Leisure Management Contract and consider any changes to the programme of activity offered, how the contract may be packaged and the length of any contract period.

(iii) To critically review the 4 sports and Leisure Centres owned by the Council, giving consideration to their location, age, condition, costs/subsidy, and make recommendations on future provision/investment.

(iv) To advise the Council's Client Officer Team as they undertake the competitive dialogue process, considering options that may emerge as part of any bidders' proposals.

(v) To provide input into the appointment process for any potential contractor, and in particular, to participate in a Member Presentation and Interview Panel.

(vi) To support the Portfolio Holder in recommending any successful Leisure Management Tender to the Cabinet, taking into consideration the Service and Financial implications for the Council.

8. As a non Executive body whose role it is to advise the Portfolio Holder, the Group can agree to amend the Terms of Reference at any time to reflect changing circumstances.

## EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

**Committee:** Portfolio Holder Advisory Group on the Development of a Leisure and Cultural Strategy for the District      **Date:** 2 October 2014

**Place:** Committee Room 1, Civic Offices, High Street, Epping      **Time:** 6.35 - 8.15 pm

**Members Present:** Ms H Kane (Chairman), G Chambers, P Keska, R Morgan, Mrs E Webster and Mrs J H Whitehouse

**Other Councillors:** -

**Apologies:** R Jennings and Ms G Shiell

**Officers Present:** D Macnab (Deputy Chief Executive and Director of Neighbourhoods), J Chandler (Assistant Director (Community Services)), Blunnie, A Clear (Performance and Quality Manager), J Cowan (Arts Officer), T O'Connor (Museum Officer), G Wallis (Community Development Officer), J Warwick (Sports Development Manager) and G J Woodhall (Democratic Services Officer)

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### 12. TERMS OF REFERENCE

The Group noted its Terms of Reference.

### 13. NOTES OF THE LAST MEETING

**Resolved:**

(1) That the notes of the meeting held on 13 May 2014 be agreed as a true and accurate record.

### 14. DRAFT LEISURE AND CULTURE STRATEGY

The Director of Neighbourhoods presented a report on the draft Leisure and Culture Strategy for the Group to consider.

The Director reminded the Advisory Group that it had met on a number of occasions and had received presentations on the Council's Community and Cultural Services, the Future Provisions and Procurement Options for the new Leisure Management Contract, and the key issues affecting Health and Wellbeing within the District. Site visits had also been undertaken to the Council's Leisure Facilities. A number of recommendations had been formulated by the Group during previous meetings and these had been incorporated within the draft Strategy. The Council's Management Board had examined the Strategy but had not requested any substantial changes.

### Section 1 – Introduction

The first Section in the Strategy was outlined by the Director, and covered the Purpose of the Strategy, how the Strategy had been developed, what was Leisure and Culture, why was a Strategy needed, and the period that the Strategy would encompass. This section of the Strategy had generated three key recommendations.

The Portfolio Holder for Leisure and Community Services reminded the Group that applications for Grant Aid from the Council were processed by Officers and signed off by the Portfolio Holder. The Director added that the Council would be undertaking a review of its Grant Aid function in the near future via a Scrutiny Task & Finish Panel.

The Assistant Director (Community Services & Safety) highlighted the use of the Strategy as an advocacy document to attract external funding from partners and provide positive outcomes for residents.

The Group agreed that the Strategy was as much about quality provision as it was about the expenditure on Leisure and Culture.

### Section 2 – The Epping Forest District – Now and in the Future

The Director summarised the second section in the Strategy, which covered the Character of the District, Demographic Considerations, Economy and Employment, Epping Forest in the Future, and the Local Plan Community Vision for the Epping Forest District. This section of the Strategy had generated one key recommendation.

The Director stated that the comment in this section regarding formal education attainment levels within the District being lower than average was not just concerned with school leavers and was supported by data from the Department of Work and Pensions. It was agreed that further clarification should be added to the section regarding this statement.

The Assistant Director reminded the Group that current demographic projections performed by Edge Analytics as part of the Local Plan process had indicated there would be 55,000 people over the age of 50 living within the District by 2050, which could account for a third of the population within the District. It was also highlighted that 16% of children within the District lived in poverty; this being defined as when their parents were earning less than 60% of the median salary.

### Section 3 – Links to Other Strategies

The Director gave a synopsis of the third section in the Strategy, which covered the links between the draft Strategy and National Policy, Regional Policy, Local Policy, the Community Strategy 2010-31, the Corporate Plan 2010-15 including the medium term aims, and the Council's current Service Strategies:

- Sports & Health Development Strategy 2010-15;
- Epping Forest Arts Strategy 2012-15;
- Community Development Strategy 2010-15;
- Epping Forest Play Strategy 2007-17;
- Epping Forest District Museum Service Strategy;
- Leisure Management Strategy;
- Playing Pitch Strategy;
- Grants for Sports, Arts, Leisure and Community Groups;
- West Essex Health and Wellbeing Strategy; and
- Epping Forest Biodiversity Action Plan.

This section of the Strategy had generated two key recommendations.

It was pointed out that the current five-year Corporate Plan expired in 2015, and a new Corporate Plan for the Council would be put together in 2015/16. The Museums Officer informed the Group that the Strategy would have links with other cultural strategies, such as the Arts Council Strategy, which would be beneficial for the Council, as well as encouraging community engagement for lottery funding. The Director reminded the Group that recommendation (6) dealt with the alignment of future service provision to maximise funding opportunities, but the Council would need to get the balance right to ensure that the outcomes benefited the District.

#### Section 4 – Provision for Leisure and Culture

The Director précised the fourth section in the Strategy, which covered the Current Opportunities, Performing Arts Facilities, Museums and Galleries, Outdoor Sports Facilities, Community Halls, Tourist Facilities, Sports and Physical Activity, Leisure Centres and Swimming Pools, Future Need , Community & Cultural Services, Indoor Sports Halls, Indoor Swimming Pools, Squash Courts, Health & Fitness Facilities, Synthetic Sports Pitches, and Future Provision Conclusions. This section of the Strategy had generated three key recommendations.

It was noted that West Hatch School hired its swimming pool to groups, but did not permit general public access. Officers undertook to clarify the level of public access to this facility. It was also highlighted that the Metropolitan Police Centre in Chigwell, which had recently refurbished its fitness suite, was also not open to the general public.

In response to questions from the Group, the Director of Neighbourhoods reiterated that the Assessment Study had identified the need for a further Sports Hall in the future to complement the six which already existed in the District. It was felt that the provision of Swimming Pools within the District was adequate, but that the real problem was the quality of that provision – particularly in Waltham Abbey. It was felt that the provision of Health & Fitness facilities throughout the District was adequate. Although the David Lloyd Club in Chigwell was a specialist centre for tennis and was generally not suitable for other activities, the tennis courts could be used for badminton.

The Arts Development Manager commented that the section on Performing Arts Facilities needed to be clearer about the access to performances in London and the access to the Playhouse Theatre in Harlow for people with disabilities.

#### Section 5 – District Council Priorities and Provision

The Director of Neighbourhoods reviewed the first part of the fifth section in the Strategy, which covered Leisure Facilities, the financial performance of the current Leisure Management contract, the condition of the current facilities, future Leisure Management contract options, and the approach to be adopted for the procurement of a new Leisure Management contract. This part of the Strategy had generated seven key recommendations.

The Director acknowledged that the comparison within the draft Strategy of the performance of the Council's four Sports and Leisure Centres was not comparing like with like; it made the performance of the Epping Sports Centre look relatively worse as it did not include a swimming pool. However, it was a statement of the current financial reality. The Finance & Performance Manager added that the current contractor, Sports & Leisure Management Limited (SLM), tended to concentrate on the financial figures rather than the actual number of people who had attended the

four centres. The current contract with SLM had been successful as it had achieved its key objectives.

The Director stated that the possibility of the Epping Sports Centre relocating to North Weald Airfield had been considered as part of the recent master planning exercise, as there were no obvious alternative locations within Epping for the Sports Centre, although it was accepted that the public transport links to the Airfield would have to be improved if this came to pass. The Group suggested that Epping Primary School and Epping St John's School should be considered as potential alternative locations for the Epping Sports Centre, as a move to North Weald Airfield would not be popular with the residents of Epping. It was agreed that this section of text should be made more open to include other potential locations for Epping Sports Centre in Epping itself.

The Director reiterated that Waltham Abbey had some of the poorest health outcomes within the District and the Council would need to provide a new facility if the existing swimming pool was closed. The current site could be used for new housing if the covenant issues were overcome, and then the capital receipt received for the current site could be used to provide a new facility at a new location within Waltham Abbey. A local member for Chipping Ongar, Greensted and Marden Ash drew the Group's attention to the success enjoyed by Colchester Swimming Pool as it included a small 'Kiddies' pool for the use of young children.

The Group was asked to consider the provision of cultural spaces in new Leisure Centres, which could be dual use areas as some sporting and fitness activities could also be conducted within them. It was noted that there was not a high level of community use of the current facilities at St John's School. The Director suggested that the provision of cultural spaces in Leisure Centres could be included as part of the competitive dialogue process for the new Leisure Management contract, which the Group concurred with.

The Director continued with a review of the second part of the fifth section in the Strategy, which covered Community & Cultural Services, future Community & Cultural priorities, Health & Wellbeing, and the five key Health & Wellbeing priorities. This part of the Strategy had generated two key recommendations.

It was highlighted to the Group that more pressure was being placed on District Councils to provide Health-related services as the funding for Clinical Commissioning Groups was reduced. It was noted that the West Essex Wellbeing Board was not considered to be working particularly well; the Director informed the Group that the Council was involved in the Board to stay informed of general developments, and to retain access to some of the available funding.

The Health & Wellbeing key priority to prevent teenage pregnancies was queried, as it was felt this was not a particularly large problem within the District, and that maybe mental health and wellbeing issues should be highlighted instead. The Director undertook to clarify this, but felt that the problem could possibly be more concerned with terminations of teenage pregnancies rather than teenage pregnancies themselves. The Group also highlighted the high incidence of cannabis smoking within the District, and was informed that similar problems existed for ecstasy and legal highs. The Group agreed that a section about drugs and alcohol should be added to the Strategy.

The Director concluded the review of the fifth section in the Strategy by looking at the third and final part, which covered Voluntary Sector & Partnership, and Tourism & Visitors. This part of the strategy had generated two key recommendations.



Section 6 – Recommendations and Actions

The Director of Neighbourhoods drew the Group's attention to the sixth and final section of the Strategy, which listed the 20 Key Recommendations arising from the Strategy.

The Assistant Director (Community Services & Safety) highlighted that the Museum Service was developing into a hub for South West Essex, whereby it would operate the Museum services for other Councils and generate income for Epping Forest. This process had started with the running of the Lowewood Museum for Broxbourne Borough Council. Community & Cultural Services had directly managed the services from the refurbished Limes Farm Hall in Chigwell, and a similar opportunity had been identified to provide a community hub at Hillhouse in Waltham Abbey, which was also an area of social deprivation. The Director of Neighbourhoods suggested that recommendation 17 be expanded to include the opportunity at Hillhouse, and the Group agreed.

The Director reminded the Group that the Strategy focused on the role of the Council. The value of holding a public consultation on it was debateable, especially as there had been a stakeholder group meeting for the development of the Local Plan concerning issues around Leisure, Health and Culture. The Group noted that all the recommendations were evidence-based. In respect of Arts issues, the Director stated that a reference and a link to the Council's Arts Strategy could be included.

The Group reaffirmed that Competitive Dialogue should be used for the procurement of the new Leisure Management Contract, following its success for the Waste Management Contract. The Director stated that external consultants to assist the Council with the Competitive Dialogue process would be engaged once the Strategy had been adopted.

The Director informed the Group that they would receive a revised version of the Strategy after this meeting, which would then be submitted to the Cabinet on 3 November 2014 for adoption by the Council.

**Resolved:**

- (1) That the draft Leisure and Culture Strategy be submitted to the Cabinet for adoption, subject to the following amendments:
  - (a) further clarification to be provided within 'Economy & Employment' in Section Two regarding formal educational levels being below average;
  - (b) clarification regarding the level of public access to the Swimming Pool at West Hatch School in 'Leisure Centres & Swimming Pools';
  - (c) the addition of further comments concerning the access to performances in London and the Playhouse Theatre in Harlow for people with disabilities in 'Performing Arts Facilities';
  - (d) the addition of further text in 'Condition of Current Facilities' to consider further locations for a new Sports Centre in Epping;
  - (e) the consideration of cultural spaces within Leisure Centres as part of the competitive dialogue process for the new Leisure Management contract;

- (f) the highlighting of mental health & wellbeing issues within the Epping Forest Health & Wellbeing key priorities, which complement the West Essex key priorities;
- (g) the addition of a section concerning the alcohol and drug issues within the District to the 'Health & Wellbeing – Key Priorities' section;
- (h) the expansion of recommendation 17 to include the opportunity to provide a Community Hub at Hillhouse in Waltham Abbey; and
- (i) the inclusion of a link to the Council's Arts Strategy within the Leisure & Cultural Strategy.

**15. FUTURE MEETINGS**

The Director of Neighbourhoods advised the Group that the next meeting would consider the Delivery Plan for the Strategy, but this would not be scheduled until after the Strategy had been adopted by the Cabinet.

**CHAIRMAN**

## **Report to the Cabinet**

**Report reference:** **LMC-002-2015/16**

**Date of meeting:** **16 June 2015**



**Epping Forest  
District Council**

**Subject:** **Procurement of the next Leisure Management Contract**

**Responsible Officer:** **Derek Macnab (01992 564050).**

**Democratic Services:** **Gary Woodhall (01992 564470).**

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### **Recommendations/Decisions Required:**

**(1) To consider the use of Competitive Dialogue as the methodology by which to let the new Leisure Management Contract.**

### **Report:**

#### Key Objectives

1. Epping Forest District Council's Key Objectives with respect to the management of its Leisure facilities, are to increase use and activity for all residents, to provide services which are complimentary to and not in competition with facilities provided by others in the District, to improve the range of services offered, maximise external capital investment in the Council's facilities and reduce revenue costs by the minimisation of management fees, to any external management partner.

#### Future Leisure Management Contract Options

2. As part of the Council's initial decision to seek an alternative provider in 2005, extensive consideration was given to the respective management options available, namely direct management, private sector operator, in-house trust or established trust. An evaluation of the benefits of adopting the particular options was undertaken, and a firm conclusion was reached that outsourcing to a private sector partner or external trust, was the preferred option in relation to the delivery of the Council's Key Objectives.

3. A recent review of these options has reached the same conclusion, particularly as a result of a number of exploratory visits to other authorities who have recently re-let large management contracts, coupled with the increasing feature in the leisure contracting market of private sector companies being willing to invest capital or enter into joint development arrangements, for new or extensively extended leisure facilities.

4. There is a considerable amount of complexity in relation to the procurement of a new leisure management contract for the Council, particularly given the number of variables and unknowns in relation to the condition of buildings and future Service options. Whilst it would be possible to replicate the previous approach, where the Council had specified its requirements in detail through the contract specification, this would have a limiting effect on the contractor. The Council's current operator has already referred to this restriction and has indicated that an alternative approach of competitive dialogue may be preferable.

5. Competitive Dialogue was used to let the Council's new Waste and Street Cleansing

Contract and has proved to be a positive experience, allowing contractors to be innovative and bring forward their own ideas based on their experience of how services could best be delivered. The Council is aware that Braintree District Council and Hinkley Borough Council have recently let their new Leisure Management Contract by way of competitive dialogue, with considerable benefits in terms of reduced revenue costs and capital investment. It is hoped to achieve similar outcomes for the Council.

#### Leisure Management Consultancy Support

6. Due to the complexity of the proposed approach and the amount of resource required to undertake the procurement process in the required timescale, the Council has engaged the services of specialist consultants to assist.

7. After a competitive process the successful consultant appointment is RTP Consultancy. Robin Thompson of RTP will be present at the meeting and will take Members through the key considerations and proposed approach to the procurement process and will also present an indicative programme.

8. The issue of the requirement to extend to the existing Leisure Management Contract will also be discussed.