

Report to Stronger Place Select Committee

Date of meeting: 13 September 2022



Portfolio: Contracts & Commissioning Portfolio (Councillor N Avey)

Subject: Leisure Facilities Contract Update

Officer contact for further information: James Warwick (01992 564350)

Democratic Services Officer: Laura Kirman (01992564243)

Recommendations/Decisions Required:

To consider the leisure facilities contract update.

Report:

1. Epping Forest District Council appointed Places for People Leisure (PFPL) as its partner for the development and management of its four leisure facilities. The agreement commenced in April 2017 and is a 20-year Design, Build, Operate and Maintain contract.

Contract Management

2. The contract is managed through monthly leisure contract managers meetings, where performance of the delivery of services in accordance with the agreed contract and against the performance standards are reviewed. Contract performance is monitored through monthly performance reports.

3. The Leisure Management Contract Partnership Board provides strategic oversight and robust challenges over the contract, providing effective dialogue and resolution of issues at senior officer and Member level.

Key Performance Indicators

4. The Council undertake monitoring of the services to ensure performance against set requirements and Key Performance Indicators (KPIs) in the contract. Key Performance Indicators are subject to effective scrutiny by Officers and Members as KPIs are reported to each operational meeting, Partnership Board and Overview and Scrutiny Committee. We are beginning to see a positive return to leisure centres compared to FY19-20 levels (see tables below).

Fitness Membership (Club Live)

Club Live	February 2020	April 2022	May 2022	June 2022	Var	%
Epping Sports Centre	1,691	1,249	1,253	1,251	- 440	-26%
Loughton Leisure Centre	4,348	3,719	3,779	3,866	- 482	-11%
Ongar Leisure Centre	1,320	1,112	1,121	1,129	- 191	-14%
Waltham Abbey Leisure Centre	2,586	2,438	2,449	2,459	- 327	-5%

Swimming Membership (Club Live)

Club Live	February 2020	April 2022	May 2022	June 2022	Var	%
Loughton Leisure Centre	524	510	517	518	- 6	-1%
Ongar Leisure Centre	115	165	176	174	+ 59	151%
Waltham Abbey Leisure Centre	376	425	415	422	+ 46	112%

Swimming Lessons

Swimming Lessons	February 2020	April 2022	May 2022	June 2022	Var	%
Loughton Leisure Centre	2,663	2,744	2,776	2,812	+ 149	105%
Ongar Leisure Centre	898	846	861	875	- 23	- 3%
Waltham Abbey Leisure Centre	1,480	1,693	1,731	1,748	+ 268	118%

Management Fee

5. During the Covid-19 pandemic, EFDC provided financial support to Places Leisure in order to maintain the operations of the leisure centres in the District. The financial support was provided by a monthly open book examination of Places Leisure's operating transactions and financial records. The recovery rates in leisure centre usage has enabled Places Leisure to resume the payment of management fees. Management fees for FY22-23 revert to fixed monthly fees as operational risk reverts to Places Leisure.

Energy Costs

6. The rising energy costs pose a significant challenge for the leisure industry. Officers and Places Leisure are continuing to work hard in mitigating the rising energy costs by implementing measures across the centres to reduce the levels of consumption. Initiatives that have already been introduced and good housekeeping has resulted in significant reductions in electricity and gas consumptions. Larger projects and opportunities being explored are pool covers in Waltham Abbey and Ongar; new BMS at Loughton; LED conversions at all centres; and variable speed drives on pool pumps at Loughton.

New Epping Leisure Centre

7. In January 2021, Cabinet agreed that the new leisure centre in Epping is to be delivered by Places Leisure under the DBOM contract (as the Waltham Abbey Leisure Centre). A formal Deed of Variation has been issued and an external legal adviser has been appointed to prepare and negotiate the DBOM contract variation. The new Epping Leisure Centre project is currently in the second stage of the procurement phase, with the contract award anticipated early 2023. The construction phase of the new Epping Leisure Centre is expected to commence quarter 3 of 2023, with a two-year construction period.

Reason for decision: To note good progress on leisure contract management.

Options considered and rejected: n/a

Consultation undertaken: n/a

Resource implications:

- Maintaining contract management processes via the EFDC Leisure and Parking Team.
- EFDC Procurement & Contracts Team to administer the procurement phase of the new Epping Leisure Centre project.
- External legal consultant for legal documents review and contract negotiations.
- EFDC Leisure and Parking Team and Places Leisure to oversee the new Epping Leisure Centre project.

Legal and Governance Implications: None.

Safer, Cleaner, Greener Implications:

Consultation Undertaken: None

Background Papers: None

Impact Assessments: N/a

Risk Management: The DBOM contractual arrangement reduces the risks to the Council by relying on the expertise of the leisure service provider to use their commercial and operational acumen to deliver and manage a facility at optimum cost ensuring the best commercial return. Leisure contract risks are assessed by Officers and kept under regular review.

Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. **All Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA.** An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
 - Factsheet 1: Equality Profile of the Epping Forest District
 - Factsheet 2: Sources of information about equality protected characteristics
 - Factsheet 3: Glossary of equality related terms
 - Factsheet 4: Common misunderstandings about the Equality Duty
 - Factsheet 5: Frequently asked questions
 - Factsheet 6: Reporting equality analysis to a committee or other decision making body

Section 1: Identifying details

Your function, service area and team: CONTRACTS (Leisure and Parking)

If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team: N/A

Title of policy or decision: Leisure Facility Contract Report

Officer completing the EqIA: James Warwick Tel: 4350 Email: jwarwick@eppingforestdc.gov.uk

Date of completing the assessment: 30/08/22

Section 2: Policy to be analysed

2.1	<p>Is this a new policy (or decision) or a change to an existing policy, practice or project?</p> <p>No – update report</p>
2.2	<p>Describe the main aims, objectives and purpose of the policy (or decision): What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?</p> <p>Update report</p>
2.3	<p>Does or will the policy or decision affect:</p> <ul style="list-style-type: none">• service users• employees• the wider community or groups of people, particularly where there are areas of known inequalities? <p>No</p>
2.4	<p>Will the policy or decision involve substantial changes in resources?</p> <p>No</p>
2.5	<p>Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?</p> <p>Corporate Plan</p>

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? All residents can access the leisure facilities
3.2	Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision? N/A
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A

Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	Neutral This service is available for all residents	L
Disability	Neutral The service is available for all residents	L
Gender	Neutral The service is available to all residents.	L
Gender reassignment	Neutral The service is available to all residents.	L
Marriage/civil partnership	Neutral The service is available to all residents.	L
Pregnancy/maternity	Neutral The service is available to all residents.	L
Race	Neutral The service is available to all residents.	L
Religion/belief	Neutral The service is available to all residents.	L
Sexual orientation	Neutral The service is available to all residents.	L

Section 7: Sign off

I confirm that this initial analysis has been completed appropriately.
(A typed signature is sufficient.)

Signature of Head of Service:



Date: 30/08/22

Signature of person completing the EqIA: James Warwick

Date: 30/08/22

Advice

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqIA you undertake to the director responsible for the service area. Retain a copy of this EqIA for your records. If this EqIA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.