

INTERIM LEISURE CONTRACT – MONITORING REVIEW

Cabinet – 14 December 2023

Report of: Deputy Chief Executive and Chief Officer – People and Place

Status: For Decision

Also considered by:

- People and Places Advisory Committee (30 November 2023)

Key Decision: No

Executive Summary: This report provides an update on the performance and monitoring of the interim leisure operator contract with Everyone Active for the period April to September 2023. The interim contract relates to the Edenbridge and Sevenoaks Leisure Centres and Lullingstone Park Golf Course.

This report supports the Key Aim of: the Community Plan and Health and Wellbeing Action Plan.

Portfolio Holder: Cllr. Lesley Dyball

Contact Officer(s): Sarah Robson and Kathryn Bone (x7219)

Recommendation to People and Places Advisory Committee

To consider Everyone Active's performance in delivering the interim leisure operator contract for the period April – September 2023 and to recommend a) to b) below to Cabinet.

Recommendation to Cabinet:

- To note the performance of Everyone Active in providing leisure facilities and services for the community and visitors of Sevenoaks District for the period 1 April 2023 to 30 September 2023.
- To agree for officers to bring a report to Cabinet providing an update on the provision and procurement process for the leisure facilities currently being managed under the interim leisure operator contract.

Reason for recommendation: Managing contractor performance is essential for delivering the interim leisure contract objectives and targets. Working jointly with Everyone Active to review performance regularly is essential in delivering high quality services to residents and value for money.

Introduction and Background

- 1 Sevenoaks District Council (the Council) owns three leisure facilities and a golf course, which are operated and maintained under contracted lease agreements.
- 2 The new White Oak Leisure Centre has been operated under a 15-year leisure operator contract with Sports & Leisure Management Ltd (operating as Everyone Active) since 12 February 2022.
- 3 In March this year, the leisure trust, Sencio, ceased to trade when its management team and Board realised the trust could no longer meet its financial liabilities and obligations. As the contractual leaseholder of the Edenbridge and Sevenoaks Leisure Centres and Lullingstone Park Golf Course, Sencio closed public access to the buildings on Friday 17 March 2023, effectively ceasing to trade.
- 4 The first priority for the Council was to ensure the buildings could be reopened to the public at the soonest possible date to mitigate the impact of the closures on the community, the operation of the plant within the centres and the income receivable.
- 5 A detailed mobilisation plan was developed by officers, with members of the public being kept informed via the Council's website, a dedicated leisure inbox and regular communications.
- 6 Council approval was provided on 4 April 2023 to appoint an interim leisure operator to oversee the Council's leisure facilities at Edenbridge Leisure Centre, Sevenoaks Leisure Centre and Lullingstone Park Golf Course for a period of two years (or until the procurement of a new operator is completed).
- 7 A Deed of Variation was approved to the existing White Oak Leisure Centre contract with Everyone Active in order to support the earliest reopening of the leisure facilities. This meant the contract could operate within an agreed management contract and service specification document.
- 8 A budget of up to £1.83 million was approved by Council to support the interim contract, operations, maintenance and safety of Council owned leisure facilities at the three sites.
- 9 Deep cleans of the three facilities were conducted by Everyone Active, alongside a backlog of urgent compliance, health and safety testing, plant failures, repairs and redecoration works not completed by Sencio in their final few months of operations, to ensure the facilities could be safely reopened to the public.
- 10 The variation of contract with Everyone Active completed on 26 April 2023, with Lullingstone Park Golf Course reopening in late April and the two leisure centres on 1 May 2023.
- 11 Everyone Active started from a nil trading position and has therefore had to rebuild the leisure operations, resourcing and its customer base from nothing. Due to Sencio entering into liquidation, any staffing, contractor, membership, customer and club data could not be legally transferred to a new operator under data protection regulations. Therefore, for the purposes of this report, a

cautious approach should be taken to comparing performance between the two operators at the point of Everyone Active re-opening the facilities.

- 12 The resulting interim operator contract with Everyone Active runs from 26 April 2023 to 25 April 2025 on an open book accounting basis. Open book accounting is a procurement method, where contractors are reimbursed based on providing transparent records of the costs they have incurred. However, the trading risk remains with the Council.
- 13 Working on this basis enables the Council to work with the leisure operator in order to reconcile between the forecast and actual trading position each month. The net cost of the service is borne by the Council. Therefore, any deficit or surplus is apportioned to the Council.
- 14 The Council is also responsible for monthly utility, asset maintenance and repairs costs. As interim leisure operator, Everyone Active requires an allocation towards their central costs.
- 15 Managing Everyone Active's performance is essential for delivering the contract. The Council's leisure services are outsourced and officers have ensured a process of working with Everyone Active to monitor these services is in place. This includes monthly contract management meetings and fortnightly repairs and maintenance reviews between the Council and Everyone Active teams.
- 16 Working jointly with Everyone Active to review performance regularly is essential and enables the Council to measure the leisure operator's performance to highlight and resolve operational issues. It also helps manage risk more effectively and improve performance through action planning. The contract monitoring is measured against the contract's key performance indicators, which includes customer satisfaction, usage, attendance and memberships, alongside budgetary performance data (income and expenditure) and the Council's satisfaction as client.
- 17 Any proposed expenditure by Everyone Active over a £5,000 limit is considered by Council officers in consultation with the Chief Officer – People and Places before it can be approved. Any proposal for investment, for example, new plant, machinery or gym equipment is made via a Business Case, outlining how any investment impacts the two-year open book forecast.
- 18 A performance review of the interim contract will be presented to members via the People and Places Advisory Committee and Cabinet on a six-monthly basis during the 2-year interim contract period. This is the first of such reports.
- 19 It should be noted that Everyone Active attends the Council's Scrutiny Committee on an annual basis to provide a contract and performance update, including the Annual Balance Scorecard for all the sites it is currently contracted to manage and operate.

Annual Performance requirements

- 20 The following items are assessed annually:
 - The Authority's (Sevenoaks District Council) outcomes

- Annual Balance Scorecard
- Quality management accreditation
- Annual service plan
- Physical Activity and Wellbeing Plan
- Marketing Plan
- Participation targets
- Benchmarking services

Service performance requirements

21 There are ten elements to the service performance requirements:

- Cleaning
- Environmental and energy management
- Customer service
- Catering and vending
- IT systems
- Property database
- Maintenance of buildings, plant and equipment
- Grounds maintenance
- Physical activity and wellbeing development
- Reporting
 - Major incident reporting
 - Other reporting

Performance standards and reporting requirements

22 Everyone Active is contracted to ensure that there is in place at all times a clearly defined responsibility chain for implementing, monitoring and reviewing service delivery.

23 For the duration of the interim report, the following reporting schedule has been contractually agreed between Sevenoaks District Council (SDC) and Everyone Active (EA) and includes:

Report Title	Frequency	Submission Date	RAG rating
Customer report, open book update and forecast and performance monitoring report	Six-monthly	Within fourteen days of the end of each period. <i>Presented to People and Places Advisory Committee (PPAC) and Cabinet.</i>	Green
Annual contract and performance report	Annual	Within one month of the start of the second Contract Year and annually thereafter. <i>Presented to Scrutiny Committee.</i>	Amber
Outcomes report and scorecard	Annual	Within one month of the start of the second Contract Year and annually thereafter.	Amber
Fire Risk Assessment	Annual		Green
Electrical Certificates	Annual		Green
Legionella Report	Quarterly		Green

- 24 Everyone Active attends monthly, quarterly and annual meetings with officers to discuss the performance of the facilities and to agree progress. The Portfolio Holder is updated on a monthly basis, as well as when matters may arise. Everyone Active attend People and Places Advisory Committee on a six-monthly basis and Scrutiny on an annual basis.
- 25 Centre monitoring visits consist of a mixture of scheduled and unscheduled visits by a Council officer. The officer will record any issues or faults witnessed on the visit, reporting them to Everyone Active’s management team, requesting details on the plan for rectification.

Six monthly performance monitoring report

- 26 The six monthly performance monitoring report requires Everyone Active to submit the following as a minimum:

Six monthly open book monitoring report
Open book forecast and actuals (see Appendix A)
Membership data
Member segmentation
Health and safety management
Major incident management
Maintenance of buildings, plant and equipment overview
Customer feedback
Community and sports activity
Health and wellbeing plan activity
Marketing Plan activity

- 27 The six monthly performance monitoring report is presented to People and Places Advisory Committee and Cabinet.

Key achievements – first six months

- 28 Key achievements and initiatives to date include:
- Mobilisation and reopening of leisure centres and the golf course within 5 weeks of Sencio, the previous operator, ceasing to trade and entering liquidation.
 - During the above 5 weeks, Everyone Active offered all Sencio members free access and use of Everyone Active’s facilities, notably White Oak Leisure Centre, at no cost to the customer or the Council.
 - Lullingstone Park Golf Course opened on 22 April, with just the 18-hole Castle course available to play. On the opening day, the course welcomed its first fixture hosted by Lullingstone Park Golf Club with over 50 golfers playing across the day with 66 new members joining the course on a membership. The greenkeepers and course staff worked as quickly as possible to ensure the course was brought back up to the standard expected and reopened the 9-hole Valley course on the

20 May. On early May Bank Holiday, Everyone Active reopened the Edenbridge and Sevenoaks leisure centres. The Centres opened with a community open day with free access to the facilities and activities on the day. 341 new fitness members and 141 swimmers were welcomed across Edenbridge and Sevenoaks on day one

- After a mix of traditional, social media and web marketing, new and returning customers were able to join for no joining fee throughout the first quarter.
- Staff transformation programme to minimise impact of closed centres and existing Everyone Active staff relocated and brought in to provide additional support and experience.
- Health and safety compliance procedures in place, up to date and regularly monitored.
- Strong health and fitness membership and swim school growth from reopening.
- Improvements to enhance the customer journey by allowed users to book classes and sessions via Everyone Active's mobile app.
- Cosmetic redecoration and gym equipment replacement at Edenbridge and Sevenoaks Leisure Centres to improve the look and feel of the facility to customers.
- Investment to increase gym equipment range at Edenbridge.
- New partnerships developed with local businesses, launching new fitness classes and personal training programmes alongside promotions.
- Sporting Champions scheme launched in the Edenbridge and Sevenoaks areas to support talented athletes the opportunity to make use of training support and mentoring sessions to further their burgeoning careers. Successful applicants receive a free annual membership to use our Everyone Active centres as well as receiving monitoring and support from Olympic athletes.
- General Managers and Partnership Managers remain very approachable and willing to help in all situations.
- Everyone Active's frontline team work well with Council officers and always support their work where required. This includes adjustments to general operational working.
- The Council's Asset Maintenance team has complimented Everyone Active's provision of an experienced and qualified asset maintenance team, which is providing support to review all essential repairs and works to be undertaken over the period of the interim contract period.
- Teams continue to work well to deliver joint projects including major works or funding applications, especially on carbon reducing schemes and building projects.

- Sevenoaks District Council negotiated the utility contracts from the Sencio supplier to the Council's contract.

Areas for improvement – first six months

- Recruitment and training of lifeguards in the first month resulted in swimming sessions and lessons taking time to recover. However, in April and May, Everyone Active hosted National Pool Lifeguard Qualification Courses across all three leisure centres. They also provided funded spaces for those looking to start their career in leisure and working for Everyone Active.
- Everyone Active's green keepers worked hard to bring the course up to a high standard. The team worked as quickly as possible, but with the length of the facilities closure and the lack of essential maintenance in that time it took longer than expected to bring the course up to standard. This impacted initial expenditure and ongoing costs.
- Timely receipt of finances to enable Council officers to track the Open Book accounts against the forecast plan provided as part of the £1.83m support package approved by Council.
- Some concerns remain regarding the Buildings Maintenance System and Air Handling Unit at Sevenoaks Leisure Centre, which impact water temperatures (pool and showers), which are currently being investigated.
- Everyone Active has developed a swimming strategy, as the numbers attending swimming lessons, specifically at Sevenoaks Leisure Centre, is much lower than they would expect to see.

Other impacts on contract performance and delivery

- 29 The Cost of Living crisis, notably rising energy costs for gas and electricity, has impacted contract delivery and created a significant economic and financial impact across the national leisure sector, particularly on sites with public swimming pools. Energy prices have been rising at an unprecedented rate, members of the public, government, councils, and business are all feeling the impact.
- 30 Sencio's utility supplier delayed the transfer of their account to the Council's contract, at the standard rate tariff, which came at the expense of the Council in the first 4 weeks of the new contract. Our Legal team intervened to progress the successful transfer under the Council's energy contract at more favourable tariffs.
- 31 Officers are working closely with Everyone Active to support with reducing this impact as much as possible. Following the Government's announcement of the Swimming Pool Support Fund (SPSF), the Council submitted a funding application to Round 1 to help alleviate cost pressures in this financial year relating to rising utility and chemical costs associated with operating public swimming pools. Our funding bid for £482,739 supported c.90% of the uplift in costs (the maximum funding bid per authority was £500k) to support the Edenbridge, Sevenoaks and White Oak centre pools.

- 32 Due to the funding being over-subscribed, we were informed in mid-September this year, that £131,556 would be awarded, but only in support of Sevenoaks Leisure Centre's swimming pool offer.
- 33 A second tranche of funding was announced to support capital projects supporting energy efficiency projects for swimming pools. The deadline for funding submissions was 17 October 2023, with our bid for £700,000 submitted in support of solar panels at White Oak and pool covers for Edenbridge and Sevenoaks. Both bids were backed and supported by the MPs Laura Trott and Tom Tugendhat.
- 34 Officers and Everyone Active are continuing work to mitigate the rising energy costs by implementing measures across the centres to reduce levels of consumption. Initiatives already introduced alongside good housekeeping has resulted in reductions in electricity and gas consumption.
- 35 Since assuming the interim contract, Everyone Active has had to deal with a significant backlog of compliance, health and safety testing, plant issues and repairs not completed by Sencio in their final few months of operations. Much of the cleaning and repair works left outstanding by Sencio continues to have an ongoing impact on the leisure facilities, as they have become more complex and costly due to plant and equipment being previously left to deteriorate.

Membership segmentation, fees and utilisation data

- 36 The table below outlines member segmentation at Edenbridge and Sevenoaks Leisure Centres as at 30 September 2023.

Edenbridge Leisure Centre

Total Users/Members Category Analysis	Male	Female	Unknown
Young people throughput 5-10 years	60	66	3
Young people throughput 11-18 years	212	212	2
60+ throughput	247	439	0
80+ throughput	29	24	0
Black and Minority Ethnic (BAME)	9	10	0
Total Users	1568	2513	23

Sevenoaks Leisure Centre

Total Users/Members Category Analysis	Male	Female	Unknown
Young people throughput 5-10 years	81	94	0
Young people throughput 11-18 years	660	542	2
60+ throughput	322	457	1
80+ throughput	18	29	0
Black and Minority Ethnic (BAME)	14	23	0
Total Users	2542	3480	47

Membership fees

Membership fees - monthly	Everyone Active	Sencio
– Fitness and Swim Direct Debit Members (Any access to Sevenoaks Leisure Centre, White Oak Leisure Centre and national Everyone Active sites providing memberships at £34.99 and under)	34.99	47.00
– Fitness and Swim Direct Debit Members (Edenbridge Leisure Centre)	29.99	47.00

- 37 Concession membership is priced at £29.99 per month at Sevenoaks Leisure Centre and £24.99 per month at Edenbridge Leisure Centre with exactly the same accessibility as headline rates (see table above).
- 38 Everyone Active memberships are valid across all of Everyone Actives 200+ sites. Members within Sevenoaks District are already taking advantage of this benefit.
- 39 Everyone Active started from a nil trading position and has had to rebuild the leisure operations, resourcing and its customer base from zero. Due to Sencio entering into liquidation, any staffing, contractor, membership, customer and club data could not be legally transferred to a new operator under data protection regulations.
- 40 Everyone Active usage figures at Edenbridge Leisure Centre and Lullingstone Park Golf Course are encouraging and have seen a positive uplift in visits and memberships. Whilst Sevenoaks Leisure Centre usage figures have also seen an increase, it should be viewed in the context of many users moving to private gyms when Sencio ceased to trade. Users will be tied into lengthy contracts, which will present them returning until their contracts expire. It will therefore be of interest to compare membership and usage figures at Sevenoaks Leisure Centre in 12 months time.

Headlines

- 41 Lullingstone Park Golf Course and Edenbridge and Sevenoaks leisure centres opened on 26 April and 1 May 2023 respectively, therefore the Quarter 1 figures reflect two months of trading.

Headlines: Edenbridge Leisure Centre

Note: all performance figures are currently up to 30 September 2023.

- Edenbridge Leisure Centre had an overall total usage of 19,685 visits in Quarter 1 and 54,222 visits in Quarter 2.
- Health and Fitness recorded 4,340 visits in Quarter 1 and 10,509 in the following quarter.
- Swim recorded 10,093 visits in Quarter 1, compared to 32,313 in Quarter 2.

- Dry side activity recorded 313 visits in Quarter 1, with 6,259 visits in the following quarter.
- The centre had a total of 253 leavers across the two quarters, with the main reasons including relocation outside of the District, leaving for university and faulty equipment.

Headlines: Sevenoaks Leisure Centre

- Sevenoaks Leisure Centre had an overall total usage of 23,695 visits in Quarter 1, compared to 77,358 visits in Quarter 2.
- Health and Fitness recorded 5,987 visits in Quarter 1 and 14,607 in the following quarter.
- Swim recorded 12,608 visits in Quarter 1, compared to 44,790 in Quarter 2.
- Dry side activity recorded 633 visits in Quarter 1, with 12,062 visits in the following quarter.
- The centre had a total of 291 leavers across the two quarters, with the main reasons including going on holiday, leaving for university and fluctuating pool hall temperature.

42 Headlines: Lullingstone Park Golf Course

- Lullingstone Park recorded an overall total usage of 4,570 visits in Quarter 1 and 11,635 visits in Quarter 2.

Fitness Membership Base	Quarter 1 Apr-Jun 22/23	Quarter 2 Jul-Sep 22/23
Edenbridge Leisure Centre		
– Fitness Direct Debit Members	840	1184
– Fitness Paid in Full Members	43	75
– Leavers during quarter	65	124
– Total Members	818	1259
Sevenoaks Leisure Centre		
– Fitness Direct Debit Members	927	1448
– Fitness Paid in Full Members	122	200
– Leavers during quarter	42	149
– Total Members	1,007	1648

Swim Fitness Membership Base	Quarter 1 Apr-Jun 22/23	Quarter 2 Jul-Sep 22/23
Edenbridge Leisure Centre		
– Swim Fitness Direct Debit Members	47	60
– Leavers	0	7
– Total Members	47	60
Sevenoaks Leisure Centre		
– Swim Fitness Direct Debit Members	115	141
– Leavers during quarter	0	17
– Total Members	115	141

Swimming Lessons	Quarter 1 Apr-Jun 22/23	Quarter 2 Jul-Sep 22/23
Edenbridge Leisure Centre		
– Direct Debit Members	159	245
– Leavers during quarter	8	24
– Total Members	151	245
Sevenoaks Leisure Centre		
– Direct Debit Members	210	349
– Leavers during quarter	12	25
– Total Members	198	349

Golf Attendance	Quarter 1 Apr-Jun 22/23	Quarter 2 Jul-Sep 22/23
Lullingstone Park Golf Course		
– Adults	4,322	10,518
– Juniors	19	51
– Seniors	229	1,066
– Total	4,570	11,635

Golf Memberships	Quarter 1 Apr-Jun 22/23	Quarter 2 Jul-Sep 22/23
Lullingstone Park Golf Course		
– Monthly Members	182	203
– Paid in Full Members	11	12
– Total	193	215

Comparative membership data

Membership Type	Sencio Jan 2023			Everyone Active Sep 2023		
	SLC	ELC	LPGC	SLC	ELC	LPGC
– Fitness	2,054	948		1,682	1,221	
– Resident Card Holders	235	134		298	212	
– Swimming Lesson	277	257		324	227	
– Golf			257			214

- 43 The new year and notably January is the busiest and most income generating month for the leisure industry. The comparative data provided in the table above shows the membership data for January (Sencio) against the most recent September data provided by Everyone Active.
- 44 Everyone Active continues to review where it is performing well and where it has seen a drop by considering what is working well, customer feedback, its marketing plan, competing leisure offers and trends in the leisure sector, alongside any asset or maintenance issues.

Clubs and community organisations

- 45 The reopening of the leisure facilities has seen the return of the following clubs and organisations return:

Edenbridge Leisure Centre

- Gymspire Academy Ltd
- Oaks Martial Arts
- Piranhas Swim Club
- Holcot Charitable Trust
- Emfitmassage
- Atlantis Entertainment Kent - Roller Disco
- Hever Primary School
- Edenbridge Primary School

Sevenoaks Leisure Centre

- Atlantis Entertainment Kent - Roller Disco
- Fusion Cheerleaders
- Dad's 5-a-side Football
- Sunday Badminton
- Rugby Tots
- Sevenoaks Swim Club
- 7Oaks Tri Club
- The Granville School
- Oaks Martial Arts
- Little Kickers
- Lady Boswells School

- Sevenoaks Shoshinkan Aikido
- Weald Primary School
- Sevenoaks Primary School
- Dunton Green Primary School
- White Tiger Martial Arts
- Dia Giles Pole Fitness
- Russell House Primary School
- Seal Primary School
- Sevenoaks Son's Basketball
- Baby Ballet

46 Everyone Active has also attracted new users to the facilities including:

Edenbridge Leisure Centre

- Edenbridge Cricket Club - Ladies
- Involve Kent

Sevenoaks Leisure Centre

- Shin Sei Do Karate Club
- Leigh Primary School

47 Sadly, some clubs and organisations have not returned since Sencio closed its doors in March this year, including:

Edenbridge Leisure Centre

- Edenbridge Spitfires FC

Sevenoaks Leisure Centre

- Charlton Athletic
- Sevenoaks Day Centre
- Halstead Primary School
- Sevenoaks Prep Primary School
- St Thomas' Primary School

The reason for not returning is due to clubs and organisations immediately securing an alternative venue to continue their activity upon Sencio closing its doors in March.

Annual Balance Scorecard: Key Performance Indicators (KPIs)

- 48 In line with the contract variation, the KPIs will have annual targets to assess the contractor's performance.
- 49 The first set of KPI targets are set at the end of Year 1 and then reviewed and reported on an annual basis so that areas of success and concern can be raised, discussed and actioned accordingly.
- 50 Given Everyone Active started from a zero position, on the back of the recovery from the pandemic, it would be hard to estimate KPI's each month, especially during the initial 6 months where the speed and extent of the recovery was largely unknown. However, they are still required to record their performance in the first year, as this is imperative for the open book

monitoring and two-year forecast. Setting the targets at the end of year one will give all parties a meaningful baseline to work from.

- 51 The Annual Balanced scorecard consists of annual KPI targets, including membership and usage, satisfaction levels, reductions in water, electricity and gas consumption, accidents and incidents, staff vacancies and budgetary and income performance etc.

Customer Satisfaction

- 52 Since Everyone Active’s commencement of the interim contract, much of the positive feedback now focuses on how clean the centres are, the helpfulness of staff, the leisure offer provided and the ability for customers to use their membership across all Everyone Active sites both in and outside the Sevenoaks District.

- 53 The highest positive feedback included value for money, cleanliness, staff helpfulness and improvements to the facilities including new parking system.

- 54 Initial booking issues, lack of food and beverage offer (at Sevenoaks) and pool temperature at Sevenoaks Leisure Centre had the highest negative comments in the first few months of opening.

Customer satisfaction	Quarter 1	Quarter 2
	Apr-Jun 22/23	Jul-Sep 22/23
Number of customer feedback reports	25	32
Number of customer complaints	13	12

- 55 Everyone Active gathers customer feedback via its online feedback facility <https://www.everyoneactive.com/legal-policies/feedback-policy/>. Any feedback drops directly into their Single Customer View platform where it is recorded against a customer’s account and passed onto relevant department manager to respond to.

- 56 The Single Customer View platform collects membership data, feedback and attendance to create intelligence for marketing and PR campaigns.

- 57 Customers can provide onsite feedback to the Customer Service Advisors or Duty Managers, which is added to a customer’s account and drops into their Single Customer View platform where it is recorded and passed onto relevant department manager to respond to.

- 58 Meet the Manager sessions are held every quarter where customers can meet with the leisure facility’s General Manager and department heads to raise any concerns directly.

- 59 An Annual Customer Satisfaction survey is sent out to Everyone Active’s database to engage customers in providing satisfaction ratings and feedback.

- 60 Everyone Active also receives feedback via social media, notably Facebook, which is reviewed and responded to by Everyone Active’s social media champion.

Community and sports activity

- 61 Everyone Active has dedicated Community Development Manager (CDM) whose focus is to develop participation opportunities for a diverse range of target groups that included:
- Children and young people
 - Older people
 - Woman and girls
 - Black, Asian and minority ethnic groups
 - Concession users
- 62 In addition, the CDM will work closely with the Council's Health and Communities team to develop the target activities, sports and programmes identified in the Everyone Active Health and Wellbeing Plan that supports the goal of the Council's own Health and Wellbeing Action plan.
- 63 Community Open Days were well attended with a range of exercise classes, gym sessions, swimming sessions and sporting activities on offer. Also in attendance were Gold medal winning Team GB Olympians and modern pentathletes Kate French MBE and Joe Choong. The two Olympians visited both leisure centres and got involved with the activities on offer as well as posing for photos with customers throughout the day. The feedback from the community was very positive and highlighted the importance of reopening these facilities to the local communities.
- 64 Colleague recruitment day held on 20 April to ensure the facilities were fully staffed prior to reopening. Everyone Active welcomed former employees from the facilities previous operator as well as people looking to start a career in leisure. The day was well attended and saw the majority of employees that previously worked at the facilities rehired and join Everyone Active, bringing with them invaluable experience of the facilities and knowledge of the customers and local community. Many of Sencio's staff sought new employment once Sencio closed its doors. However, over 80% of ex-Sencio staff have since been employed by the Everyone Active team.
- 65 Everyone Active has become a member of the Sunflower Network, a simple tool to help people voluntarily share that they have a disability or condition that may not be immediately apparent - and that you may need a helping hand, understanding, or more time. Everyone Active aims to make sport accessible to everyone and to maintain a healthy balanced lifestyle. Customers and staff that visit or work at any Everyone Active Centre can choose to wear the sunflower to discreetly indicate that they may require help, time or kindness.
- 66 In May, Everyone Active commenced a new Leisure Team Member Apprenticeships with Lifetime across all three Leisure Centres. The apprenticeship includes fitness instructing, lifeguarding, swim teaching and leading group activity sessions.

- 67 Following the reopening of Sevenoaks Leisure Centre changes were made to how customers access parking at the centre. Free parking is still available, although now via a cash free system with customers redeeming two hours free parking by registering their vehicle details on a tablet at the reception desk. Edenbridge parking remains free of charge.
- 68 Throughout April to June, Everyone Active has sought to recruit more level 2 swimming teachers to join its team in Sevenoaks Leisure Centre to help grow swimming lessons throughout the week. There is currently a nationwide shortage of swimming teachers and Everyone Active continues to recruit new teachers as well as upskill existing colleagues.
- 69 In May, Everyone Active held Personal Trainer events to promote the benefits of a training session with an Everyone Active Personal Trainer and how customers can use them to enhance their fitness journey by learning more about their health, body and fitness and setting achievable goals. To promote the benefits of personal training, Everyone Active offered 4 sessions for the price of 3 saving customers up to £37.
- 70 The popular Roller Disco sessions run by Kent Roller Disco returned to Sevenoaks Leisure Centre every Saturday and once a month at Edenbridge Leisure Centre. These sessions were historically well attended and were sorely missed during the closure of both centres.
- 71 On the first weekend of opening, Sevenoaks Leisure Centre hosted 7-Oaks Tri Clubs annual triathlon event. The event ran very smoothly and team successfully delivered its first event since re-opening.
- 72 Everyone Active has joined the Sevenoaks Town Council Sports Strategy Group and attended the first meeting of the reformed group.
- 73 Sevenoaks Leisure Centre hosted two club Championship Gala swimming events in September, which were well attended by competitors and spectators.
- 74 Edenbridge Leisure Centre hosted a Macmillan Coffee morning raising over £200 for cancer support.

Health and Wellbeing Plan

- 75 Everyone Active understands the important role it plays in delivering increased participation across the leisure service in Sevenoaks District Council.
- 76 It has a Health and Wellbeing Action Plan in place, which aligns with the Council's own Health and Wellbeing Action Plan, whilst taking into consideration key national, regional and local objectives outlined by stakeholders such as Sport England and Community Leisure UK.
- 77 Everyone Active's plan will strive to deliver and increase participation through the following themes:

- Wider determinants of health
- Health behaviours
- Places and Communities
- Volunteers/workforce
- Community projects
- Funding

78 Activity in the first two quarters included:

- Provided a concessionary rate to increase the opportunity for disadvantaged groups to access facilities.
- Fitness teams offered a basic health MOT including blood pressure, basic exercise advice and signpost to classes and activities.
- Swimming crash courses held throughout school holidays
- Parent and baby swimming lessons run throughout the day and weekends.
- Promoted activities and events to increase over 65s memberships. Introduced a social activity once a week for those over 65 to attend
- Used Sport England #ThisGirlCan campaign to promote all women only activities within the centre; Get back to Netball, Zumba, Bootcamp, Athletics.
- Provision of a free 12-week exercise referral programme for people referred to the leisure centre through GP services.
- Promoted all EA challenges such as 'Swim the Channel'.
- Provide sessions working with partners where appropriate to offer adult social care activities such as walking football, walking netball etc.
- Held a 'swimathon' event.
- Provided opportunities for local residents to get into employment, including an apprenticeship programme, work experience and volunteering.
- Re-established links with local schools to create a pathway between school, Everyone Active coaching programmes and club access.
- Provided discounted and fully funded qualifications and courses including National Pool Lifeguard Qualification (NPLQ), Swim England teaching qualifications and sports coaching courses.
- Promoted Sporting Champions Programmes, supporting a minimum of 6 local talented athletes each year.
- Created a funding tracker to monitor all successful and unsuccessful bids. Everyone Active supported the Council to submit bids to the Swimming Pool Support Fund for revenue and capita funding.

Marketing Plan

79 Everyone Active has put in place a Marketing Plan, which aims to help understand the customer in order to deliver the best possible service. The Marketing Plan sets out the marketing strategy for the interim contract.

- 80 Everyone Active has the following vision, mission and values that form the fundamentals of managing Sevenoaks District Council's leisure facilities. These are:
- **Vision:** To be everyone's first choice for activity.
 - **Mission:** To get everyone doing 30 minutes of activity 5 days a week, two of which are in our contracts and online.
 - **Values:** Inclusive, Supportive, Progressive and Progressive
- 81 Everyone Active partnered with The Revenue Club to implement a dynamic pricing model at Lullingstone Park Golf Course to increase casual usage. Dynamic pricing is based on customer demand, competition and other factors. This partnership has increased usage across the golf course during off-peak hours. Taster sessions and the promotion 'Reward Yourself' increased golf memberships over the summer period.
- 82 Everyone Active ran a £1 Joining Fee promotional offer during September, which was promoted through Royal Mail leaflet drops in targeted post code areas (based on centre usage by members) in the first two weeks of the month. The campaign also made use of social media platforms and Google ad.
- 83 The campaign generated an additional 369 fitness sales in September combined between Sevenoaks Leisure Centre and Edenbridge Leisure Centre.
- 84 Throughout July and August, Everyone Active offered Free Guest Passes to generate membership leads. Social media platforms were used to promote improvements in the gyms and free month membership was offered to members to generate referral.
- 85 Everyone Active membership at Sevenoaks Leisure Centre and Edenbridge Leisure Centre grew by 715 memberships between Quarter 1 and Quarter 2 as a result of these targeted marketing campaigns.
- 86 Everyone Active offered free water confidence sessions and a number of crash courses at Edenbridge and Sevenoaks leisure centres throughout the summer holidays. This has resulted in 111 new swimming lesson joiners in September.
- 87 Everyone Active has implemented a targeted Swimming Lesson strategy to continue to grow its 'Learn to Swim' programme across the Sevenoaks District.
- 82 The Everyone Active website and social media sites are regularly updated, alongside leafletting and promotional activities and taster sessions, including regular articles in the Council's district wide magazine InShape.

Health and Safety management

- 88 Operational documentation has been set up under Everyone Active's internal Health & Safety Management policy. This covers Risk Assessments, Control of Substances Hazardous to Health Regulations (COSHH), and Safe Systems of Work. The Management team has an on-site Site Safety Co-ordinator to

manage and oversee the day to day issues that arise under the direction of the Contract Manager and the Regional Health, Safety and Quality Manager.

Major incident management

- 89 During the Quarters 1 and Quarter 2, Everyone Active had nil reportable incidents (RIDDOR), but has seen 36 minor accidents reported in Quarter 1 and 46 minor incidents in Quarter 2, which are reviewed and include bumps, bruises, sprains and cuts.
- 90 Edenbridge Leisure Centre averaged at 0.6 accidents per 10,000 visits for Quarter 2 2023-24. The corporate target is 5.0 accidents per 10,000.
- 91 Sevenoaks Leisure Centre averaged at 1.6 accidents per 10,000 visits for Quarter 2 2023-24. The corporate target is 5.0 accidents per 10,000.
- 92 White Oak Leisure Centre averaged at 3.5 accidents per 10,000 visits for Quarter 2 2023-24. The corporate target is 5.0 accidents per 10,000.
- 93 Lullingstone Park Golf Course averaged at 0 accidents per 10,000 visits for Quarter 2 2023-24. The corporate target is 5.0 accidents per 10,000.

Maintenance of buildings, plant and equipment overview

- 94 Everyone Active has developed their own internal system (EQMS) to report all maintenance concerns and rectifications moving forward. Further meetings have been scheduled to go through any training and details required with the Facilities Management team at Sevenoaks District Council.
- 95 The system logs defects, provides a detailed history of each issue raised and acts as a property database for programmed maintenance.
- 96 As part of the ongoing programme of maintenance Everyone Active and agreed contractors have undertaken the below:
- Pool/spa chemical and bacterial sampling (Legionella)
 - TMV, CWST, Calorifier and shower descaling (Legionella)
 - Lift Servicing
 - Lift LOLER
 - Pool hoist service
 - Pool hoist LOLER
 - Pool Pod Service
 - Pool Pod LOLER
 - Pool Plant Service – Filters, Balance tank, UV, air blower, pumps and dosing unit
 - Air Condition and Air Handling Units
 - Automatic doors service
 - Boilers service
 - Pressure vessels service
 - CCTV service
 - Building alarm service
 - Fire alarm service

- Fire extinguishers service
- Evacuation chair service
- Disable panic alarm service
- Emergency lighting service
- FAT
- PAT
- Fixed wire wet/dry service
- Lighting protection
- Thermal imaging
- Mansafe system
- Sport and play service
- Timing equipment service
- Fitness equipment service
- Pool view service
- Pool inflatable service

- 97 The Planned and Preventative Maintenance (PPM) schedule has been uploaded to Everyone Active's system and is updated regularly with access given to the Council. An in-house maintenance engineer carried out number of maintenance tasks.
- 98 The table below shows the key actions proposed for the next 6 months in terms of repairs and maintenance.

Action for Q3-Q4	Site
Air Handling Unit testing and repairs – main pool, outdoor units	ELC, SLC
Air Conditioning Unit repairs - gym	ELC, SLC
Condensate pump – gym	ELC
Electric overdoor heater – reception	ELC
Extract grille – studio and sports hall	ELC
PCB Fascia board	ELC
Water heater – drainage and cleaning – kitchen	ELC
Gas pipework	ELC
Heating coil – deep clean, compartment bulb replacement - gym	SLC
Extract motor replacement – gym WC	SLC
Extract motor replacement – café	SLC
Plant repairs	LPGC

Future investment proposals

Item	Site
Gym equipment replacement - subject to business case	ELC
Gym equipment replacement - subject to business case	SLC
Food and beverage offer - subject to business case	SLC

Appointment of a Future Operator

- 99 The current interim contract with Everyone Active ends in April 2025.
- 100 It is likely the Council will use the UK Leisure Framework to undertake the longer term operator tender. However, we will need to understand if it is still compliant given the imminent legislative changes to public procurement. The time this takes to complete cannot be underestimated. Work will need to commence in late 2023/early 2024 and generally follows a three stage process:
- Selection Questionnaire (SQ), to demonstrate applicants' experience and ability to meet SDC's minimum technical and functional requirements in respect of delivering the contract;
 - First Stage Tender, applicants invited to submit detailed solutions (ISDS); and
 - Final Tender, applicants invited to submit final tenders (ISFT) following a period of dialogue.
- 101 At SQ stage applicants are permitted to express interest in the contract and are required to submit information regarding their organisation, capacity, financial standing and history with similar schemes. They will need to meet a specified minima and where more than four applicants are left then only the four highest scoring would proceed. The four highest scoring applicants would then be shortlisted and invited to submit tenders by ISDS.
- 102 In order to assess the tenders, officers will be guided by the results of a Members' consultation event, which will importantly include a discussion on where to set the predetermined weighting between Commercial and Quality.
- 103 Applications are then appraised by the evaluation team (including officers, Cabinet members and external legal and leisure consultancy representation) using a detailed scoring system that demonstrates each of the bidders':
- Viability of their financial model
 - Proposed amendments to the contract
 - Ability to meet the Council's strategic outcomes
 - Operational performance and building maintenance proposals
 - Pricing policies

- Use of Information Technology
- Environmental and social responsibility policies
- Staffing and volunteering proposals
- Mobilisation

104 The preferred operator would then enter into a bespoke Leisure Operating Contract with the Authority.

105 A key concern is the period of the new contract. For example, the operator contract for the new White Oak Leisure Centre is for an initial period of 15 years with an option, at the agreement of the parties, for a further period of five years giving a total possible term of 20 years. As a brand new facility, the White Oak Leisure Operating Contract is a full repairing lease with clear asset maintenance systems and targets that gives the Council assurance that the new facility will be maintained to a high standard.

106 However, the leisure facilities at both Edenbridge and Sevenoaks, which have served generations of the District's residents, are heading towards the end of their serviceable life, which has accelerated in the past 12 months due to lack of investment, cleaning and repair by Sencio's management team. The ongoing and expected asset maintenance options for the centres, modernisation and decarbonisation will all come at significant cost to the Council.

107 Options will need to consider whether to extend the existing contract variation for a further period (say 1 year), invest in the existing buildings, replace with a new modern centre (which would require a shorter term contract, rather than the 15 year contract at White Oak Leisure Centre), do nothing or even possibly close a leisure centre. All of these come at a cost, whether financially or to the social fabric of a community.

108 Each option will differently impact the duration of the contract, the cost to the Council and the impact on the community. Members will need to carefully consider the options. A report will be presented to members in the new year reviewing the future leisure service provision to deliver a procurement process which secures the optimal arrangement for the Council.

Other options Considered and/or rejected

109 The Council has no statutory obligation to provide sport, leisure or recreation, services and facilities. However, at its meeting of 4 April 2023, Council approved to appoint an interim leisure operator to oversee the Council's leisure facilities for a period of two years or until the procurement of a new operator is completed. Members delegated Authority to the Chief Officer – People and Places and Chief Officer – Finance and Trading to investigate an interim leisure operator and enter into a contract subject to consultation with the Cabinet Member for People and Places and Cabinet Member for Finance and Investment.

110 The Council will commence its procurement exercise for a permanent operator in early 2024 and is considering tender options and contract timescales.

Key Implications

Financial

In April this year, Council approved funding of up to £1.83 million to support the interim contract over the next two years. This will be borrowed from earmarked reserves in the short-term and will need to be repaid. A solution to repay the reserves will need to be agreed before the conclusion of the 2024/25 budget setting process.

Legal Implications

The Deed of Variation provides the contractual legal framework for the support package and means through which the Council would enforce the terms upon Everyone Active. The Deed of Variation has been signed to make the legal obligations of both parties as clear as possible to mitigate against future disputes on these matters and facilitate the continued delivery of the services.

The Council harnesses the expertise of its 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 Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Net Zero Implications

The decisions recommended through this paper have a remote or low relevance to the council's ambition to be Net Zero by 2030. There is no perceived impact regarding either an increase or decrease in carbon emissions in the district, or supporting the resilience of the natural environment.

Wellbeing

The Council has no statutory obligation to provide sport, leisure or recreation, services and facilities. This is unlike many other demand driven legally mandated services, such as planning, housing, licensing and environmental health, which we do have a legal duty to provide. However, it recognises the importance of having these facilities, their contribution to health and wellbeing and what they mean to our communities.

Conclusions

The variety and complexity of the services provided by Everyone Active demonstrate the size and scale of the task to meet thousands of customer needs and expectations. The leisure industry continues to struggle post pandemic and with the cost of living, alongside rising utility and operational costs.

A key concern highlighted by Everyone Active is the lack of investment, cleaning and maintenance undertaken by the previous operator, which has served to exacerbate small issues into large and costly problems involving plant and machinery, building fabric and systems and equipment.

This report highlights that the first two quarters have seen positive performance from Everyone Active as interim operator, notably as it started from a zero trading position following the liquidation of Sencio.

Everyone Active has put in place a staff recruitment and development programme, whilst working with local partners to develop more activities to the community. It is currently identifying commercial opportunities in fitness, swimming, alongside a food and beverage offer.

Everyone Active has seen some encouraging and positive return rates at the Council's leisure facilities, with a particular noticeable higher than average return at Edenbridge Leisure Centre. The improvements made on site by both Everyone Active and the Council has had a positive impact on the visiting public and satisfaction.

Appendices

Appendix A – Income and Expenditure (exempt)

Background Papers

Extraordinary Council (4 April 2023), Response to Sencio Community Leisure Insolvency Position – Sevenoaks District Council Leisure Sites

<https://cds.sevenoaks.gov.uk/ieListDocuments.aspx?CId=121&MId=3045&J=2>

Sarah Robson

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