

# **Cabinet**

## **1 March 2022**

### **Leisure Services Review**

#### **For Decision**

**Portfolio Holder:** Cllr L Miller, Customer and Community Services

**Local Councillor(s):**

**Executive Director:** J Sellgren, Executive Director of Place

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**Report Status:** Public

#### **Recommendation:**

That Cabinet agrees:

1. That a leisure strategy is developed to enable Dorset Council to consider and adopt a more strategic and informed approach to the way it operates its leisure facilities and service.
2. That the strategy will be reviewed by the People and Health Overview Committee in the Autumn and then brought to Cabinet for consideration and adoption.
3. That officers are instructed to agree contract extensions for Ferndown Leisure Centre, Blandford Leisure Centre, and Dorchester Sports Centre until 31.03.2024 on the existing contractual terms.

#### **Reason for Recommendation:**

A leisure strategy will set out how the council aims to deliver its leisure service in the future and identify ways to improve community health through physical activity. The strategy will help shape how leisure facilities can be accessible, affordable, and sustainable in the future.

The Ferndown Leisure Centre and Blandford Leisure Centre contracts expire on 31.3.22, with the Dorchester Sports Centre expiring on 21.10.22. An extension to 31.3.24 would align all the existing leisure contracts and would allow time for the council to develop a leisure strategy which sets out the future delivery of its leisure sites and provision.

## **Executive Summary**

Dorset Council currently owns or funds 9 leisure facilities and has a mixture of operating models with facilities either managed in-house, by third party contractors or on a lease arrangement.

The development of a leisure strategy would enable the council to consider and adopt a more strategic and informed approach to the way it operates its leisure facilities and service. The strategy will also look at physical activity in its broadest sense and will involve working closely with Public Health, Clinical Commissioning Group and other leisure and sports providers alongside the council's greenspaces, Rights of Way, country parks and outdoor education centres.

There is scope to extend the Dorchester, Ferndown, and Blandford Leisure Centre contracts to 31.3.25 if required, under Regulation 72 Modification of Contract under Public Contract Regulations 2015.

An extension of these contracts to 31.3.24 would create a harmonised end date and provide the necessary time to consider and implement a preferred future management approach.

### **1. Financial Implications**

The leisure contracts will be extended on the existing contractual arrangements and so there will be no additional budget implications.

### **2. Well-being and Health Implications**

As reflected by the Government and Sport England strategies and recognised by local authorities and Public Health England for some time, 'sport' is no longer delivered solely for 'sport's' sake. Increasing participation in sport and physical activity and reducing levels of inactivity are key to both local and national Government achieving outcomes in public health (physical and mental), adult social care and education.

This is further reflected in the new Council Plan, where a key priority is to help create strong, healthy communities. The council's aims are to support communities to be active, to increase people's healthy life expectancy and reduce differences between areas. Leisure facilities will play a significant role in

providing opportunities for all ages to lead a more physically active lifestyle, alongside the council's greenspaces, Rights of Way, country parks and outdoor education centres.

A recent report completed by Sheffield Hallam University reviewed the social return of investment into sport in England. It concluded that for every £1 spent on sport, £1.91 of benefits are generated in health and other related outcomes.

### **3. Climate implications**

Having declared a climate emergency, Dorset Council is committed to reducing its carbon footprint by developing energy efficiency and renewable energy projects in council buildings. Leisure centres owned by the council are large buildings with high energy consumption, and the condition survey reports have identified a need for a substantial amount of facility investment.

Any future investment in existing buildings, or decisions around future uses and viability of buildings, will need to take account of the ability of the building to incorporate low carbon technologies such as LED lighting, efficient pool ventilation, solar PV, biomass heating or air/ground source heat pumps etc.

Leisure centres have been included within the recent Public Sector Decarbonisation Scheme bid, and several of the above works are included in the schedule of work which are due to be completed.

### **5. Other implications**

The strategy may determine a future delivery model for leisure where there are potential workforce implications and so at this stage it should be acknowledged. If this were the case, then the Trade Unions would be consulted with at the early stage of consideration.

### **6. Risk Assessment**

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: Medium

Residual Risk: Medium

### **7. Equalities Impact Assessment**

The recommendations propose no changes to service provision

## **8. Appendices**

None

## **9. Background Papers**

Empowering Communities – An assessment of capital investment into community wellness hubs

[https://www.ukactive.com/wp-content/uploads/2018/09/ukactive\\_Empowering\\_Communities\\_-\\_Capital-Investment.pdf](https://www.ukactive.com/wp-content/uploads/2018/09/ukactive_Empowering_Communities_-_Capital-Investment.pdf)

## **10. Background**

10.1 At the 18 May 21 Cabinet meeting, members agreed:

10.2 That the leisure contractor market and the ongoing performance of the existing leisure centres are monitored and evaluated to fully consider the implications of the Covid-19 pandemic in any future decision making.

10.3 That officers are instructed to negotiate with existing leisure contractors and agree contract extensions for Ferndown Leisure Centre, Blandford Leisure Centre and Dorchester Sports Centre until 31.03.2023.

## **11. Impact of Covid**

11.1 The Covid-19 pandemic has had a significant impact on the leisure sector over the last two years. In recent months restrictions have been lifted and in the main facilities have been able to operate a full service. However, the development of further strains such as Omicron have continued to have an impact on customer confidence especially in the older and more vulnerable groups.

11.2 Some activities such as swimming and fitness classes have bounced back to pre-covid levels and swimming lessons are, in many centres, exceeding levels prior to the first lockdown. Leisure memberships remain lower than before, and fitness suite usage has been highly effected; a clear indication of behavioural change as users try and limit their use of high contact areas. Centres are however starting to see a gradual return of numbers in this area.

11.3 Overall income is around 70% of pre-Covid levels, although further growth is anticipated in the first quarter of the year as people make lifestyle changes and join local leisure facilities.

## **12. Leisure Contracts**

- 12.1 There is scope to extend the Dorchester Sports Centre contract by up to five years given that there have been no extensions to date. Ferndown and Blandford have both been subject to previous extensions, however Legal and Procurement Services support the principle that these contracts can be extended to 31.3.25 if required, under Regulation 72 Modification of Contract under Public Contract Regulations 2015.
- 12.2 The impact of Covid-19 is a justifiable reason to use this modification. Extending the contracts at all three centres until 31.3.24 would give the council the time to develop a leisure strategy that sets out a longer-term vision for future provision and delivery.
- 12.3 The existing leisure contractors have all agreed in principle to extend their contracts to 31.3.24 on their existing terms.

## **13. Leisure Strategy**

- 13.1 Dorset Council currently owns or funds 9 leisure facilities and has a mixture of operating models with facilities either operated in-house, by third party contractors or on a lease arrangement. Many of these leisure centres are on school sites and have longstanding dual use contractual arrangements.
- 13.2 Covid-19 has forced many people to change and adapt the way they work and spend their leisure time. The importance of having good physical and mental health has been a constant message throughout the pandemic.
- 13.3 The temporary closure of leisure centres has provided clear evidence that more and more people have reviewed the way they are physically active; with cycling, walking, and running seeing a positive resurgence.
- 13.4 The development of a leisure strategy would enable the council to consider and adopt a more strategic and informed approach to the way it operates its leisure facilities and service. The options appraisal work undertaken by Max Associates will provide much of this baseline data. The strategy will however look at physical activity in its broadest sense and will involve working closely with Public Health, Clinical Commissioning Group and other leisure and sports providers alongside the council's greenspaces, Rights of Way, country parks and outdoor education centres.
- 13.5 The council needs to ensure that its leisure facilities and provision will be sustainable in the future and broaden their impact on improving community health. The strategy should focus on its leisure facilities being

accessible, affordable, and sustainable, with equity of provision and areas of health inequalities given priority.

- 13.6 The strategy will look at whether leisure assets could accommodate other public services that would improve the experience for the user e.g. health, library etc. and allow the release of assets in the vicinity for other uses such as local housing.
- 13.7 There is a clear demand for community assets from the public, and ukactive and Sport England are keen to see the success of integrated wellness hubs rolled out (mixed use leisure centres, libraries, GP surgeries and pharmacy, etc.). They believe that wellness hubs should be welcoming, inclusive, well located, and focused on the needs of local people; ensuring that they are at the heart of local communities up and down the country, and that they make a real impact on the lives of those who need these facilities the most. The background paper from ukactive provides a range of examples.

The wellness hub model has demonstrated it can:

- Leverage £10 of investment from a range of sources (including the private sector and local authorities) for each £1 of lottery funding invested
  - Achieve savings of around 30 per cent in both construction and operating costs
  - Stimulate a 35 per cent uplift in usage by the public
- 13.8 The strategy will also consider provision in the widest sense and not just focus on what is provided by the council. It's important that facilities offer the right mix to meet the future needs of our residents. Overall, the strategy needs to set out how we will encourage the community to increase their participation levels especially amongst target groups such as young people as well as the ageing population.
- 13.9 The scope of the strategy will be agreed with the Portfolio Holder for Customer and Community and will be ambitious but also recognise the council's financial challenges around funding non-statutory services. The strategy will be reviewed by the People and Health Overview Committee in the Autumn and will be then brought to Cabinet for consideration and adoption.

**Footnote:**

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.