



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



# Culture and Visitor Economy Overview and Scrutiny Committee

28 February 2023

Report of Councillor Adam Stokes,  
Deputy Leader of the Council and  
Cabinet Member for Finance and  
Leisure

## LeisureSK Ltd Performance Report

### Report Author

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### Purpose of Report

To provide an update to the Culture and Visitor Economy Overview and Scrutiny Committee on the performance of LeisureSK Ltd against the leisure management contract objectives.

### Recommendations

**It is recommended the Culture and Visitor Economy Overview and Scrutiny Committee:**

- 1. Notes the contents of this report and suggests any enhancements to the level of information provided for inclusion in the next six-monthly update.**

## Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Growth and our economy  
Healthy and strong communities  
High Performing Council

Which wards are impacted?

Two or more wards

## 1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 There are no financial implications from the Council's perspective in relation to this report. The management fee payable to LeisureSK is approved by Council as part of the annual budget setting process.

Financial Implications reviewed by: **Alison Hall-Wright, Assistant Director of Finance**

### ***Legal and Governance***

- 1.2 The Culture and Visitor Economy Overview and Scrutiny Committee is responsible for assessing the performance of LeisureSK Ltd in line with the Council's objectives as set out in the Leisure Services Contract. The Committee has previously agreed to receive six monthly updates on performance.

Legal Implications reviewed by: **Graham Watts, Assistant Director of Governance and Monitoring Officer**

### ***Risk and Mitigation***

- 1.3 The performance of LeisureSK Ltd is monitored by the Board of Directors. As part of this, a risk register is maintained and regularly reviewed at Board Meetings.

Risk Implications reviewed by: **Tracey Elliott, Governance & Risk Officer**

## 2. Background to the Report

- 2.1 The Council's Corporate Plan 2020 to 2023 sets out the key priorities for the Council and its leisure service. Investing in the health of the district by improving leisure provision and providing a high-quality offer, helps to support the Council's aims on increasing the health and wellbeing of communities. The Council's leisure contract with LeisureSK Ltd focusses on embedding an approach that seeks to continuously improve service delivery and customer experience.
- 2.2 On 14 June 2022, this Committee received a report detailing progress against the contract's Key Performance Indicators (KPIs) for the period October 2021 to March 2022 and the balanced scorecard used by LeisureSK Ltd's Board of Directors to assess the performance of the company.
- 2.3 The remainder of this report covers activities which has taken place since April 2022. For ease of reading, five subsets have been created as follows:
- A. An overview of LeisureSK Ltd Staffing
  - B. An overview of LeisureSK Ltd Community and Outreach Activities
  - C. An update on the Council's Leisure Centres
  - D. An update on the work of the Council's Leisure Team
  - E. LeisureSK Ltd Performance Monitoring

### **(A) LeisureSK Ltd Staffing**

- 2.4 LeisureSK Ltd has continued to face operational challenges over recent months especially relating to the increase in costs of materials from suppliers and the significant rise in energy costs. This all aligns with the national picture and challenges facing other leisure providers nationally.
- 2.5 The recruitment of suitably qualified staff has also continued to be challenging. However, the Board of Directors appointed a new Contract Manager who joined the company in April 2022. Since joining the company, the Contract Manager, with the support of the Board, has reviewed the company staffing structure to try and mitigate the cost increases without impacting upon the levels of service delivery and customer experience.
- 2.6 To aid with the wider recruitment and retention of staff, the Board of Directors commissioned LeisureSK Ltd and their human resources provider, The HR Branch, to undertake a comprehensive job evaluation of all roles within the company. This was finalised in April 2022 with job roles being scored and aligned to a pay grading scale which has provided consistency across the company and ensured that pay is competitive with other leisure providers.
- 2.7 In July 2022, the General Manager at Grantham Meres Leisure Centre left the company, to pursue a career in the Council's Leisure and Culture team. A period of interim support was provided by the centre's Operations Manager covering the

vacant position, supported by the Contract Manager. A replacement General Manager joined the company in late November 2022, coming from a background of private leisure management.

- 2.8 The Board of Directors have been keen to ensure the employees of LeisureSK Ltd are being invested in and developed. As part of this, Managers have been enrolled onto a Management Development Course which has been developed and delivered by The HR Branch over a period of six months. The aim of the course is to provide standardisation in processes and procedures, whilst giving Managers the confidence to deal with HR related issues that may occur in the workplace.
- 2.9 In addition to this, LeisureSK Ltd are working with a national apprenticeship provider, Lifetime Training, to deliver: the Chartered Institute of Management (CMI) Level 3 Team Leader Supervisor qualification; the CMI Level 5 Operations Departmental Manager; Level 2 Leisure Team Member; and Level 3 Leisure Duty Manager. The Operations Manager at Grantham Meres Leisure Centre is in the process of undertaking the NEBOSH General Certificate (National Examination Board in Occupational Safety and Health).
- 2.10 LeisureSK Ltd have upskilled two senior Managers onto the Royal Lifesaving Society's (RLSS) National Pool Supervisor Qualification (NPSQ) tutor programme. This is a two-day course aimed at staff responsible for supervising lifeguards and managing essential health and safety within a leisure centre or swimming pool environment. This training is planned to be delivered to Duty Manager's and Senior Leisure Assistant's during 2023.

## **(B) LeisureSK Ltd Community and Outreach Activities**

- 2.11 LeisureSK Ltd continue to develop their programme of community and outreach activities promoting and increasing their health and wellbeing offering. A wide variety of events have been attended including:
- Local school summer fayres, Wyndham Park May Day and Summer Markets, The Lincolnshire Show
  - Support for the Council's Queens Baton Relay
  - National Fitness Day
  - A Dementia awareness and Living with Diabetes event in Stamford.
- 2.12 Other initiatives introduced within the centres by LeisureSK Ltd include:
- Exercise on Prescription in partnership with One You Lincolnshire across all facilities. This is a 12-week structured physical activity programme following referral by a health care professional aimed at those doing less than 150 mins of physical activity a week
  - Aqua Cycling at Stamford

- Wellbeing Walks in partnership with the Lincolnshire Co-op at Bourne and Stamford
- Junior Gym Sessions at Bourne and Grantham
- Warm Spaces launched across all centres from January 2023.

2.13 LeisureSK Ltd are planning to introduce further initiatives across the centres with the team undertaking specific training to launch these and expand on the offer which includes:

- Additional Wellbeing Walk leader training
- Good Boost - an app-based therapeutic aquatic exercise programme for people with musculoskeletal conditions
- Pre and Post-natal classes
- Additional Fitness Instructors are being upskilled to deliver Exercise on Prescription
- Introduction of Hydro-Fighter classes at Stamford which is a mixed martial arts and boxercise style class adapted for the pool environment
- Introduction of Special Educational Needs and Disability (SEND) swimming lessons across all centres.

2.14 Partnerships continue to be developed between the Council, LeisureSK Ltd and organisations within the county such as One You Lincolnshire, Active Lincolnshire and Inspire+, local GP surgeries and social prescribers, and Shine Lincolnshire.

## **(C) Update on Council Leisure Centres**

### Bourne Leisure Centre

2.15 Following approval at Cabinet in September 2022, Bourne Leisure Centre underwent a £137,000 gym refurbishment programme in November 2022. This included brand new equipment, creation of a dedicated studio space, a separate free weights area, and new gym flooring throughout. This has resulted in a small uplift in the monthly membership cost and has contributed to an increase in membership sales within the centre.

### Deepings Leisure Centre

2.16 In November 2022, the decision was made at Full Council to permanently close the Deepings Leisure Centre and not to proceed with the previously agreed refurbishment plans, to hand the asset back to Lincolnshire County Council (LCC), and to also transfer the management of the Linchfield Road Playing Fields back to LCC.

2.17 Council Officers met with representatives from LCC on 16 January 2023 to formally hand the keys and responsibility for Deepings Leisure Centre back to them.

- 2.18 Ongoing discussions are taking place with Council Officers, LCC and The Anthem Trust (Deepings School) to transfer the management of the Linchfield Road Playing Fields. Whilst these conversations are ongoing LeisureSK Ltd continue to manage the bookings for the playing fields and the Council remains responsible for the grounds maintenance of the pitches.

#### Grantham Meres Leisure Centre and South Kesteven Sports Stadium

- 2.19 The Table Tennis Centre (TTC) at Grantham Meres Leisure Centre continued to be used by the National Health Service (NHS) as a COVID-19 mass vaccination centre until they announced its closure in December 2022. Since its operation began in December 2020, nearly 350,000 vaccinations have been given to patients from 1,695 different GP practices across the country at the Meres Vaccination Centre.
- 2.20 During the operation of the vaccination centre, sports hall bookings were successfully relocated into other parts of the centre. In January 2023, the LeisureSK Ltd Board of Directors agreed to the TTC remaining closed to bookings until such time it was required, which will help to reduce utility usage to compensate for the rising energy costs the company is facing.
- 2.21 LeisureSK Ltd have successfully launched Meres Lives events, securing the acts directly, and with the Council's Arts Team providing ticketing services. A recent concert by a Queen tribute act, The Bohemians, resulted in an audience of 1,100 people.
- 2.22 Working in conjunction with Lincolnshire Fire and Rescue and LeisureSK Ltd, the South Kesteven Sports Stadium received a renewed safety certificate in March 2022 under the Safety of Sports Ground Act 1975 and The Fire Safety and Safety of Places of Sport Act 1987.
- 2.23 As a partnership LeisureSK Ltd, Grantham Athletics Club and the Council have been working towards a Level 1 competition licence for the Sports Stadium by UK Athletics. This will enable the stadium to be used for competitive athletic events.
- 2.24 2022 saw a strong return of sporting and community events at Grantham Meres Leisure Centre, with the David Ross Educational Trust (DRET) summer games returning for a two-day event. Other events have included the Inspire+ Games which was a three-day event, and Regional Army and Air Cadet athletics competitions.

#### Stamford Leisure Pool

- 2.25 Additional gym equipment has been installed at Stamford following on from the refurbishment project at Bourne Leisure Centre, utilising some of the outgoing equipment as a result of member feedback. LeisureSK Ltd have upgraded the lighting throughout all public areas of the centre, replacing old fluorescent tube

lighting with more energy efficient LED lighting. This includes replacing the original pool hall lighting being upgraded from 1500W halogens to 160W LEDs.

- 2.26 Following on from customer feedback a programme review has been undertaken in October 2022 which has resulted in an increase in opening hours at the start of each weekday. This has allowed for additional public swimming, club swimming sessions and Aquafit classes. Further programming reviews are underway to explore the possibility of extending the hours in the evening to allow for additional group exercise classes and lane swimming. This will then bring the centre's operational hours back in line to what was being operated prior to COVID-19.

#### **(D) Work of the Council's Leisure Team**

- 2.27 The Council's Leisure Team continue to be responsible for regular contract monitoring and report into the LeisureSK Ltd Board of Directors to ensure LeisureSK Ltd are delivering against the contract outcomes and the Council's objectives, as outlined in the Sport and Physical Activity Strategy 2021 – 2026 (see **Background Papers**). The Team are also responsible for ensuring LeisureSK Ltd provide a high-quality service which meets the desired levels of cleanliness and presentation and offers a positive customer experience.

#### **(E) LeisureSK Ltd Performance Monitoring**

- 2.28 Formal monthly contract monitoring meetings, which include all the senior management team at LeisureSK Ltd and Officers from the Council's Leisure Team, now take place quarterly with the Council's Team Leader for Leisure, Parks and Open Spaces meeting with the LeisureSK Ltd Contract Manager monthly in between. Any areas of concern from the monitoring visits are raised as an emerging trend at the quarterly monitoring meeting for further discussion and resolution.

#### **Balanced Scorecard**

- 2.29 The balanced scorecard covering the leisure centres for the period April 2022 to December 2022 can be found at **Appendix A**. This provides detailed information on the performance of the leisure centres against the leisure contract KPIs together with related operational performance information.
- 2.30 The annual customer satisfaction survey was last conducted in February and March 2022 receiving a total of 539 responses. The results were presented to this Committee in June 2022. LeisureSK Ltd are currently in the process of developing the next survey to be distributed electronically throughout February and March 2023.
- 2.31 A period of self-monitoring by the LeisureSK Ltd Contract Manager took place from May 2022 to July 2022, whilst there was a vacancy in the Council's Leisure Team. From August 2022 the Council's newly appointed Leisure Officer recommenced site

inspections, which are carried out on an announced and random basis, focussing on cleanliness standards, day to day maintenance, and the overall customer experience. This has brought a renewed focus to contract monitoring, and a change in reporting format was introduced based on feedback from both Council Officers and LeisureSK Ltd's Management Team.

2.32 Overall, there has been a marked improvement in cleanliness at the facilities with a reduced number of customer complaints being received by LeisureSK Ltd or made directly to the Council. Where there have been spikes in cleanliness issues, these have generally been associated with increased throughput in the centres. The monitoring reports for each site now breakdown the individual items requiring rectification, rather than the previous reports generalising a specific area of each centre.

2.33 The table below outlines the findings from the leisure monitoring visits and the items raised for rectification between the period of April 2022 and December 2022.

Facility	Total Cleanliness Items	Total Maintenance and Repair Items
	Apr – Dec 2022	Apr – Dec 2022
<b>Bourne Leisure Centre</b>	248	101
<b>Grantham Meres Leisure Centre</b>	373	145
<b>South Kesteven Sports Stadium</b>	240	198
<b>Stamford Leisure Pool</b>	260	65

#### Sport England Moving Communities Community Survey

2.34 The Sport England Moving Communities Community Survey has been distributed to LeisureSK Ltd's customers in September 2022 (see **Background Papers**). The focus of the survey was to help Sport England understand perceptions about physical activity and active leisure in local communities, and to monitor the sector's performance, sustainability and social value contribution.

2.35 The survey is broken down into four areas which cover satisfaction, net promotor score (NPS), which is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others, in-centre activity and cleanliness. Results from the most recent survey are shown in the table below:

	<b>Bourne Leisure Centre</b>	<b>Grantham Meres Leisure Centre</b>	<b>Stamford Leisure Pool</b>	<b>LeisureSK Ltd – Contract Result</b>
<b>Responses Received</b>	144	125	120	389
<b>Satisfaction</b>	80.7%	80.33%	71.5%	77.72%
<b>NPS</b>	13.67	11.2	-21.66	1.82
<b>In-centre Activity</b>	79.7%	79.51%	72.38%	77.5%
<b>Cleanliness</b>	73.23%	75%	51.76%	68.21%

#### Full building condition surveys

- 2.36 The full building condition surveys, carried out across all the Leisure Centres and Sports Stadium between March 2022 and May 2022, have been reviewed by the Council's Leisure and Property Teams and presented to an Internal Property Management Group, with works being prioritised for completion based on the severity and risk identified. These works are taking place in addition to ongoing reactive maintenance works which are identified and completed.
- 2.37 Major works have been completed across all centres with water treatment works being undertaken in September 2022 at Grantham Meres Leisure Centre, boiler replacement works at Stamford Leisure Pool in December 2022, the air conditioning was replaced at Bourne Leisure Centre in September 2022, pool grating was replaced at Bourne Leisure Centre in December 2022, three replacement internal fire doors were installed at South Kesteven Sports Stadium in September 2022, and the entrance door was replaced at Stamford Leisure Pool in October 2022.

#### Annual Health and Safety Audits

- 2.38 In November 2022 LeisureSK Ltd had their annual Health and Safety audits which were conducted by independent consultants Right Directions Ltd. All compliance issues were reviewed across each centre and the results of the audits are shown below. All centres demonstrated an improvement compared to the previous year's rounds of audits.

<b>Centre</b>	<b>2021 score</b>	<b>2022 score</b>	<b>Improvement</b>
Bourne	63%	85%	22%
Grantham	67%	71%	4%
Stamford	65%	81%	16%
<i>Average</i>	<i>65%</i>	<i>79%</i>	<i>14%</i>

## Mechanical and Electrical (M&E) meetings

- 2.39 Bi-monthly Mechanical and Electrical (M&E) meetings were introduced in October 2022 between LeisureSK Ltd, Council Officers and Briggs and Forrester (B&F - the Council's maintenance contractor), to discuss maintenance issues to ensure they are captured at an early stage and the necessary maintenance actions can be planned.
- 2.40 The availability of contractors to carry out maintenance tasks and repairs has continued to be an issue, resulting in a small back log. However, the site teams are continuing to work with reliable contractors to resolve this. Additionally, the team at Grantham Meres Leisure Centre have recruited an in-house part-time Maintenance Assistant for three days per week which has resulted in a noticeable improvement to maintenance issues at both the Leisure Centre and Sports Stadium.

### **3. Key Considerations**

- 3.1 This report provides information on the leisure contract performance and monitoring arrangements for LeisureSK Ltd and offers an opportunity for Members to raise any concerns around the facilities and the level of service being offered.

### **4. Other Options Considered**

- 4.1 The Culture and Visitor Economy Overview and Scrutiny Committee have previously agreed to receive six monthly updates on performance.

### **5. Reasons for the Recommendations**

- 5.1 The Council has a duty to ensure the leisure contract provides value for money and delivers on the Council's corporate objectives. The information detailed within the report provides Members with an opportunity to assess the performance of LeisureSK Ltd and to suggest enhancements to the level of information provided for inclusion in the next six-monthly update.

### **6. Background papers**

- 6.1 *Moving Communities* – Published by Sport England, available online at:  
<https://www.sportengland.org/research-and-data/data/moving-communities>
- 6.2 *Replacement of Gym Equipment at Bourne Leisure Centre* – Report to Cabinet, Published 22 September 2022, available online at:  
<https://moderngov.southkesteven.gov.uk/documents/s35721/Replacement%20of%20Gym%20Equipment%20Bourne%20Leisure%20Centre.pdf>

- 6.3 *LeisureSK Ltd Performance Report* - Report to Culture and Visitor Economy Overview and Scrutiny Committee, published 14 June 2022, available online at: <https://moderngov.southkesteven.gov.uk/documents/s34702/Performance%20of%20LeisureSK%20Ltd%20Report.pdf>
- 6.4 *Sport and Physical Activity Strategy 2021-2026*, available online at: <http://www.southkesteven.gov.uk/CHttpHandler.ashx?id=28041&p=0>

## **7. Appendices**

- 7.1 Appendix A: Balanced Scorecard April 2022 to December 2022.