

9 FEBRUARY 2021

NEW FOREST DISTRICT COUNCIL

COMMUNITY & LEISURE OVERVIEW AND SCRUTINY PANEL

Minutes of a meeting of the Community & Leisure Overview and Scrutiny Panel held on Tuesday, 9 February 2021

- * Cllr Geoffrey Blunden (Chairman)
- * Cllr Neville Penman (Vice-Chairman)

Councillors:

- * Steve Clarke
- * Keith Craze
- * Arthur Davis
- * Barry Dunning

Councillors:

- * David Hawkins
- * Caroline Rackham
- * David Russell
- * Alex Wade

*Present

In attendance:

Councillors:

Diane Andrews
Ann Bellows
Mahmoud Kangarani
Martyn Levitt
Alan O'Sullivan
Neil Tungate
Christine Ward
Jeremy Heron
Mark Steele

Officers Attending:

Alan Bethune, Gary Jarvis, Sheryl Parry, Andy Rogers, Manjit Sandhu and Matt Wisdom

68 DECLARATIONS OF INTEREST

There were no Declarations of Interest in the Agenda Items.

69 PUBLIC PARTICIPATION

There were no issues raised during the public participation period.

70 HEALTH AND LEISURE REVIEW - PREFERRED BIDDER

The Panel considered proposals following the fundamental review carried out in respect of the operation of the Council's 5 Health and Leisure Centres, including a 'preferred bidder' to partner with the Council to run the Leisure Centres.

The Panel noted the stages of the review process from its inception, the first Task and Finish group meeting in April 2018, and the thorough and detailed work undertaken.

The Panel took into account the Customer and Staff Q&As at Appendix 3, and noted the regular meetings of the Customer Focus Groups which had taken place throughout the process. The Panel noted that overall, staff felt reassured from these briefings, particularly in regard to employment terms and conditions, and that the Council had responded well to union comments and requests. They also noted the customer protections included in the contract. Regular discussions with the schools had identified a need to detail existing informal arrangements which are now included in the Management Agreements wherever possible.

The Panel were impressed by Freedom's approach as the preferred bidder, noting that their business focused entirely on Leisure provision, and particularly their experience and expertise from running 101 other sites nationwide. The benefits from economies of scale, their pledge to reinvest any surplus share into the Council's centres, and their commitment to energy conservation measures to reduce leisure sites' impact on the environment, were also noted.

Members noted that contract performance monitoring data would be reported regularly at Panel meetings and a Contract Monitoring Officer would also provide detailed reports to the Working Group.

Whilst a minority of members queried the timing for the change, given uncertainties arising from Brexit and Covid, the Panel were reassured there was sufficient financial 'headroom' built into the contract to significantly reduce the Council's risk, whilst providing substantial income and long term investment into services, facilities and buildings. Under the projections, the Council was expected to receive £7-8m in income over the life of the contract.

Members thanked the Task and Finish Group for their diligence in overseeing the review, and paid tribute to the professionalism and hard work of the officers involved, for conducting such a comprehensive process to a successful outcome.

It was emphasised that the proposed arrangement was not for the centres to be sold, but for Freedom Leisure to operate them on the Council's behalf.

In summary, the Panel felt that the proposals represented the best option for the sustainability of the District Council's leisure services, and the health and wellbeing of the community.

RESOLVED:

That it be a **RECOMMENDATION** to the Cabinet:

- (i) That the contract to operate and maintain the District Council's five Leisure Centres at Applemore, Lymington, New Milton, Ringwood and Totton be awarded to Freedom Leisure Limited to commence on 1 July 2021 for a 11 year period with an option to extend for a further 4 years.
- (ii) That the terms of the Contract, summarised in sections 7 and 8 of the report, be noted.

- (iii) That a 4-month mobilisation period following award of contract be noted, enabling full operational control by Freedom Leisure Limited on 1 July 2021.
- (iv) That £2.242m of Prudential Borrowing to support the investment programme outlined in paragraph 13.11 of the report be approved.
- (v) That Council discharges responsibility for an annual contract review and performance to the Community and Leisure Panel, which will set up a councillor working group at its next meeting.

Note: A recorded vote was taken for this item, as follows:

For the recommendation:

Cllrs Blunden, Penman, S Clark, Craze, A Davis, Dunning, Hawkins, and Russell.

Against:

Cllrs Rackham and A Wade.

CHAIRMAN