

# REPORT TO EXECUTIVE

## PORTFOLIO AREA: HEALTH AND WELLBEING

Date of Meeting:

26th November 2001

Public

Key Decision:

Yes

Recorded in Forward Plan:

Yes

Inside Policy Framework

**Title:** LEISURETIME COMPETITIVE PROCESS - KEY ISSUES AND INTRODUCTION TO THE DOCUMENTATION

**Report of:** Director of Leisure and Community Development

**Report reference:** LCD 92/01

### Summary:

The report summarises the current position with the Leisuretime Competitive process and outlines the Key Issues which are dealt with within the Documentation. The full documentation will be available for the January meeting and will be reviewed by the O&S(C) and the Leisuretime Working Group.

### Recommendations:

The Executive is asked to pass any comments on this report and to await the comments of O&S( C) and the working group.

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## 1. BACKGROUND INFORMATION AND OPTIONS

In accordance with existing policy and the Best Value Improvement Plan Officers have been preparing the documentation needed to carry out a tendering exercise to enable a partner to be chosen for the future operation

of the Leisuretime facilities. The full documentation will be available at the January meeting. This report is intended as a introduction to that documentation and to identify the key issues which the Executive needs to be aware of within that documentation.

## **2. CONSULTATION**

The report is going to Overview and Scrutiny (Community) and to the Leisuretime Working Group (which staff representatives have been invited to attend).

## **3. STAFFING/RESOURCES COMMENTS**

The report is work in progress and has no staffing implication for it's completion though the content of the report clearly deals with major staffing issues.

## **4. CITY TREASURER'S COMMENTS**

The City Treasurer has been represented on the group preparing the documentation.

## **5. LEGAL COMMENTS**

The City Solicitor has been represented on the group preparing the documentation and this officer has commented on this report.

## **6. CORPORATE COMMENTS**

The report progresses a major corporate issue and key Council policy.

## **7. ENVIRONMENTAL IMPLICATIONS**

None

## **8. RECOMMENDATIONS**

The Executive is asked to pass any comments on this report and to await the comments of O&S( C) and the working group.

## **8. REASONS FOR RECOMMENDATIONS**

The Key Decision will not be made until the January meeting and the views of these other committees should be available to the Executive.

## **Leisuretime Competitive Process**

### **Key Issues and Introduction to the Documentation**

#### **1 Introduction**

- 1.1 The purpose of this report is to introduce the Executive, Overview and Scrutiny and Leisuretime Working Group to the work done so far on the competitive process, the current position and the programme for completion of the work. The report introduces the key components of the documentation and the assumptions behind them which will be used to carry out the tender. It provides the opportunity for feedback on these before they are submitted for final approval. The documentation will be completed in draft by Christmas and will be available for consideration in the new year. It will be extensive and complex and it is hoped that Members will find this distilled introduction to it helpful in understanding the full documentation and its implications for the future delivery of the service.

#### **2 Work to Date**

##### **2.1 Best Value Improvement Plan**

The revised improvement plan was considered by the Executive on 29<sup>th</sup> October and will be presented to the Council on 15<sup>th</sup> January. The Plan is now with the Best Value Inspectors and we await their draft Final Report which we understand will be completed by the end of November 2001. The Action Plan is attached (Appendix 1).

##### **2.2 Consultants**

Consultants have been appointed to advise both the Client (Strategic Leisure) and Leisuretime (Greenwich Leisure Ltd).

Strategic Leisure have been assisting with the shortlist of tenderers and helping to prepare the documentation for the tender process.

Greenwich Leisure have been advising the client side on the preparation of a bid based on their conversion to a Non Profit Distributing Organisation (probably an Industrial and Provident Society).

A Code of Conduct (Appendix 2) was agreed by the Leisuretime Competitive Process Working Group which stressed the need to maintain a clear distinction between the Client and Contractor and this distinction has been maintained rigorously to date.

### **2.3 Shortlist of Tenderers**

The Leisuretime Competitive Process Working Group advertised for expressions of interest in the proposed contract and received responses from 12 companies. With advice from Strategic Leisure a shortlist has been agreed.

These companies together with Leisuretime will be invited to submit tenders in response to the documentation which is now being completed. This will enable to Council to make an informed choice as to it's preferred partner and further negotiations will be entered into with that partner.

### **3 Proposed Timetable**

The Timetable for the completion of this process is now:

26 <sup>th</sup> November	Key Issues Report to Executive
28 <sup>th</sup> November	Key Issues Report to Leisuretime Working Group
29 <sup>th</sup> November	Key Issues Report to Overview and Scrutiny
End November	BV Inspectors Report due
9 <sup>th</sup> January	Documentation to Leisuretime Working Group
10 <sup>th</sup> January	Documentation to Overview and Scrutiny
15 <sup>th</sup> January	Revised Improvement Plan to Council
28 <sup>th</sup> January	Documentation to Executive
4 <sup>th</sup> Feb	Documents out
1 <sup>st</sup> April	Docs Returned
2 <sup>nd</sup> April – 10 <sup>th</sup> May	Evaluation
End May	Selection of Partner at Special Council
End July	Start

### **4 Risk Assessment**

The Leisuretime Competitive Process Working Group agreed a Risk assessment for this process which has been monitored and updated and is attached (Appendix 2)

## 5 Documentation

The objectives of the Council in undertaking the proposed externalisation are set out in the documentation described in above. The documents have been prepared by an Officer Group chaired by the Director of Leisure and Community Development and comprising representatives from the City Treasurer, the City Solicitor and Secretary, the Leisure Department and the Head of Personnel Services. The group has been advised by external consultants, Strategic Leisure Limited and the Council's Procurement Officer. This Officer Group considers that in order to fulfil the Council's objectives, the Contractor should be obliged to deliver the requirements set out below. The Executive is now asked to consider these requirements and to approve them subject to any comments or further views of the Executive. The documents, which will be available in full in January.

- *Prospectus and Instructions to Tender*

This describes the Council's objectives and the facilities under consideration together with detail of how Tenders must be submitted and the rules surrounding that process.

- *Specification*

This defines what is expected from the Contractor in operating the facilities.

- *Contract*

The detailed terms proposed by the Council for the partnership agreement.

- *Evaluation Process*

Arrangements for assessing the quantitative and qualitative aspects of the bids received.

- *Property Issues*

Details of the property to be leased including Heads of Terms for the lease and Building condition surveys and proposals for dealing with Capital Improvements required of the contractor and constraints on the future use of the property.

- *Personnel Issues*

Details of TUPE lists, Local Conditions of Service, and personnel policies (including Health and Safety Policy)

## **6 What the Council will be requiring from the Contractor**

### **6.1 *Best Value Improvement Plan***

The Best Value Improvement Plan will form an integral part of the documentation and contractors will be required to price for the delivery of all relevant elements. They will subsequently be contractually obliged to do so. The improvement plan also encompasses improvement targets and these will be key components of the arrangements for measuring the performance of the contractor.

### **6.2 *Performance Indicators***

The performance indicators that have been chosen are the Audit Commission, Best Value and local performance indicators previously approved in the Best Value Performance Plan. These are included in Appendix 1.

### **6.3 *Core Fixed Issues***

The Contractor will be obliged to provide certain services as part of the contract. These can be found in Appendix 3. In the view of the officer group these are the key services which the contractor must be obliged to continue to deliver.

### **6.4 *Property – Heads of Terms***

It is intended that property should be leased to the contractor for the life of the contract. The period of the lease will be subject to agreement with the contractor but we expect may be as much as 15-20 years. The Council will retain responsibility for structural maintenance but all other maintenance will be the contractor's responsibility. Condition surveys of all building have been carried out and specify the maintenance obligations for the contractor.

### **6.5 *Pricing***

The Officer group are recommending that responsibility for setting prices should rest with the contractor. We consider it impractical and counterproductive for the Council to retain this responsibility. In choosing the partner sample prices from elsewhere will be available and the contractor will be provided with examples of our prices. They will also be required give examples of the prices that they intend to apply here and these will form a baseline for part of the agreement. The contractor will be obliged to continue to support the Leisure Access Card scheme so those least able to pay will be protected.

## 6.6 *Capital Investment*

See Appendix 4. Contractors are being advised of the capital works which we require and they will be expected to show within the tenders how these items will be financed and when. They are, of course, free to make investment over and above this minimum requirement.

## 6.7 *Staff*

This will be a TUPE transfer but all tenderers will be invited to demonstrate how their terms of transfer will exceed the minimum TUPE requirements. This will become an obligation enforced through the contract. The Council will be requiring the Contractor to take on the Council's staff on their existing terms and conditions under TUPE. The documentation will also require the Contractor to make equivalent pension arrangements.

## 6.8 *Specification*

The specification is performance based and is designed to link directly to the Council's own Key Objectives (defined in the Best Value Performance Plan) and the Improvement Plan arising from the Fundamental Performance Review. This is very different to previous CCT based contracts. In these contractors were told in great detail what they had to do and were monitored to see that they had done it. Under this specification contractors will be obliged to continuously improve on performance targets measured by established performance indicators. This continuous improvement will be in pursuit of the Council's own Key Objectives, the delivery of the Best Value Improvement Plan and the delivery of certain core fixed services (see below). How they do that is a matter for their judgement although in all significant instances they are required to say in advance how they intend to deliver certain functions by the production of a Method Statement. Failure to achieve agreed targets will lead to penalties.

## **7 What will be required from the Council**

7.1 The Officer Group consider, that in order to achieve the Council's Objective, the Council will need to deliver on certain obligations to the Contractor which is set out below. The Executive will be asked to consider and to approve these.

### 7.2 *Contract Deficit*

Subject to the tender and subsequent negotiations it is likely that the contractor will continue to require financial support from the Council. A formula for this will be agreed and this will be part of the Contract. The detailed of the proposed formula is being resolved at the moment. The Council will then be committed to the payment of that fee (adjusted in accordance with inflation and other factors covered in the contract) for the lifetime of the contract.



### 7.3 *Property*

Under the proposed terms the Council will lease the property to the contractor but will retain responsibility for the structural maintenance of the properties.

### 7.4 *Monitoring*

The Council will continue to provide substantial financial support to a service which the public will continue to see as the responsibility of the Authority. A complex contract will exist between the Authority and the partner and the performance of the partner in delivering the contract and the service will need to be closely monitored. The Council will need to ensure that it has the capacity to undertake this monitoring effectively.

## 8 **Evaluation**

A comprehensive scheme for evaluating the potential impact of different partners on customers and the Council has been devised. The objective is to give the Council the information necessary to make an informed judgement and not, by virtue of being too prescriptive, to pre-empt that judgement.

The evaluation will be conducted in two stages:

Firstly the method statements\* within the bids will be assessed, scored and weighted, in accordance with a pre agreed system to determine which contractors will be capable of delivering the services and objectives as specified. The proposed weightings are shown in Appendix 7. Interviews, reference and "mystery visits" will form part of this process.

Secondly a financial evaluation of the tenders will demonstrate the relative strengths of the different bids. There is likely to be a "trade off" between capital and revenue advantages. This part of the evaluation will also need to take account of any risk to the authority arising from a contractor seeking compensation from us for his capital investment in the event of contract termination.

This assessment will provide the Council with the necessary facts to make an informed judgement.

\* Method Statements. The contractors will be obliged to explain how they intend to deliver certain key aspects of the services to ensure that quality is at least maintained. This includes for example, Building Cleaning, Pools Safety, Catering etc. The Method statements will say how a contract intends to deliver these functions, what resources will be committed to them and what standards are assured. The successful contractor will be obliged to deliver in accordance with these method statements.



## **9 Best Value**

This contract may be for as much as 15 years. However the Council is required to undertake Best Value Reviews every 5 years. As part of such Reviews the Council are statutory obliged to consider whether they should cease performing the service altogether. Strictly in order to comply with this duty a break clause would have to be inserted into the contract giving the Council the option to break the contract every 5 years following a Best Value Review. However this would be incompatible with the objective of securing long term investment. In other words as a quid pro quo for securing long term investment the Council limits its options that are available following Best Value Reviews for a minimum 15 year period. The need for investment emerged during the Best Value Review and is one of the key improvements which have been identified by the Council.

## **10 Next Steps**

The detailed documentation will be completed by Christmas and issues raised in response to this report will be taken into account in preparing that final draft. That documentation will be distributed for consideration at the Working Group, O&S and Executive meeting time tabled for January.

Euan Cartwright  
15<sup>th</sup> November 2001

## APPENDIX 1

### Action Plan + Performance Indicators

<b>Leisuretime Action Plan</b>								
<b>Ref No</b>	<b>Issue</b>	<b>Improvement</b>	<b>User Benefits / Key Objectives Hit</b>	<b>Responsibility</b>	<b>Start Date</b>	<b>Timescale</b>	<b>End Date</b>	<b>Progress to Date</b>
1	<b>Customer Care</b> Comments from some of the focus groups suggested that the standards of customer care were not uniformly high across all of the facilities.	<b>OBJECTIVE</b> <b>A 2% increase in overall customer satisfaction each year for 3 years.</b>  <b>Continuing QUEST registration with an improving score of 2% on each re-assessment.</b>  <b>Action</b> Consistently high standards of customer care will be delivered through improved Customer Care Training incorporated in the Leisuretime Business Plan to be delivered through TIR and PDI process and required under any future contract.	“Improve Social Wellbeing and Health” and “Advancing Carlisle as a Regional and Cultural Capital by encouraging more visits and more repeat visits from users. It will improve customer satisfaction, and help to achieve top quartile performance by increasing the number of visits.  KO3, KO7	JD	1st October 2001	6 Months	Apr-02	

2	<b>Achieving Top Quartile performance.</b> The present performance indicators are: "Number of Swims and other visits per 1,000 population" and "The net cost per swim/visit"	<b>OBJECTIVE</b> To achieve top quartile performance  <b>Action</b> These statistics have now been dropped by the Audit Commission (from April 2001). At present no new performance indicators have been introduced, when they are we will introduce appropriate actions and defined targets.	NOT YET APPLICABLE				
3	<b>Benchmarking</b> Sharing and learning from other equivalent facilities is not well developed	<b>OBJECTIVE</b> To undertake one comprehensive benchmarking exercise each year for 3 years on a topic to be agreed with the rest of the group  <b>Action</b> Comparator exercises will be carried out with the following equivalent facilities: Barbican York, Hereford LC, Newport LC, Brentwood LC, Northern Municipal Golf Courses.	" Improve Social Wellbeing and Health" and "Advancing Carlisle as a Regional and Cultural Capital" by improving the range and quality of services in the light of experience elsewhere. It will improve customer satisfaction, and help to achieve top quartile performance by increasing the number of visits and reducing costs.  KO3 KO7	JD	Oct-01	6 months	Apr-02

4	<b>User consultation</b> Formal consultation arrangements with facility users is applied inconsistently across the service.	<b>OBJECTIVE</b> To hold, twice a year, user forum meetings for the following: <b>Pool, Stoney Holme, Sand Centre, Sheepmount.</b>  <b>Action</b> User forums will be introduced at the Sands Centre and Sheepmount and will be continued at the Golf Course and the Pools and to formalise user feedback on service delivery. Forums will be conducted twice a year, minuted and reported to the Portfolio Holder.	Improved customer satisfaction.  KO3 KO7	JD	Oct-01	6 Months	Apr-02	
5	<b>Arts/ Sports/ Conferences Balance</b> The present policy on this was reviewed 5 years ago but changing demand in the city and pressure to use of the Sands for conferences should be re-examined.	<b>OBJECTIVE</b> See 16  <b>Action</b> Survey work will be conducted to establish Council/community /customer priorities for the use of the space. This will be done through the survey described below (16).		See 16				

6	<p><b>Services for Young People</b></p> <p>The extent to which, not just the services under review but all Council services, respond to the needs of young people. Particular issues raised included Ice rink, Skatepark , Ibiza night etc</p>	<p><b>OBJECTIVE</b>  <b>To increase overall service satisfaction expressed by young people by 2% a year for 5 years</b></p> <p><b>Action</b>  The survey described below (16) will cover young people and their needs not just from the services under review but from other Council services. This will inform the Councils BVFPR on Regeneration and on Customer Services as well as influencing programming pricing and other matters related to Leisuretime.</p> <p>The Executive will receive, in December this year, a Community Sports Development Strategy built on the Sports Council's "Active Communities" programme and aimed at providing new services to young people, in the community, to encourage their involvement in sport and recreation.</p> <p>(Estimated cost £85k p.a.).</p>	<p>" Improve Social Wellbeing and Health" and "Reducing Crime and Disorder" by encouraging greater participation by young people in sports and recreation. It will deliver Sport England Active Communities objectives.</p> <p>SE1 KO1 KO4 LS2 LS3 SR2 YP1 YP2</p>	HR	Apr-01	9 months	Dec-01	Work on strategy currently on schedule
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7	<b>Need for Investment /Reinvestment.</b> Customer satisfaction is being depressed by inadequate or deteriorating facilities. Extensions, renovations and refurbishment are needed to meet customer aspirations and improve their experience of the service.	<b>OBJECTIVES</b> <b>See Appendix 1</b>  <b>Action</b> The costed schedule of investment will be an obligation under any future contract(See Appendix 1).  Condition Surveys have been produced for all facilities with annual maintenance programmes specified which will be incorporated in any future contract for the management of the facilities.	" Improve Social Wellbeing and Health" and "Advancing Carlisle as a Regional and Cultural Capital" by encouraging more visits and more repeat visits from users.  KO7 LS4 SF3 AD1 FP3	EC	Apr-01	12 months	Apr-02	Work currently on schedule
8	<b>Performing Arts Space/Theatre</b> The issue of the provision of a significant performing arts space in the City continues to be raised through many consultative processes. Most recently it has been included in the draft City Vision by the cross-sector group which has prepared that document	<b>OBJECTIVE</b> <b>To ensure that lottery capital support for the performing arts features in the next regional capital strategy.</b>  <b>Action</b> Through the Regional Cultural Forum, North West Arts, the Local and sub regional cultural strategies we will seek to influence the review of the lottery capital priorities in 2002.	Increased Northern Arts funding for Stanwix programme will directly benefit customers.  AD1 KO7 NA3	MN	On -going work with Art College			



9	<b>Car Parking</b> The Council has addressed the conflicting interests between car park income and making the Sands Centre accessible every year for many years. The present arrangements continue to cause problems and resentment and present the Council in a poor light to users.	<b>OBJECTIVE</b> <b>To increase customer satisfaction with car parking/access by 10% in 2 years.</b>  <b>Action</b> The Council will review the present arrangements. (Est. loss of revenue £20k p.a.) .	A change in favour of Sands Users will deliver: " Improve Social Wellbeing and Health" and "Advancing Carlisle as a Regional and Cultural Capital" by encouraging more visits and more repeat visits from users. It will improve customer satisfaction, and help to achieve top quartile performance by increasing the number of visits and repeat visits.  NA2 LS2	EC/J D/MB	Oct- 01	6 month s	Apr- 02	
10	<b>DDA Compliance</b> Some facilities are not yet fully DDA compliant	<b>OBJECTIVE</b> <b>To increase satisfaction with access expressed by disability groups by 10% in 2 years.</b>  <b>Action</b> All facilities have been audited and produced action plans. An improvement programme has been produced will be implemented over the next 3 years.	" Improve Social Wellbeing and Health" and by encouraging more visits and more repeat visits from users. It will improve customer satisfaction, and help to achieve top quartile performance by increasing the number of visits.  LS1 LS3 PA2 AD1 NA2	MB/G N	April 01	3 years	Mar 04	

11	<b>Leisure Card take up</b> Low take up rate of access card	<b>OBJECTIVE</b> <b>To increase take up of the Leisure Card by 10 % a year for 3 years.</b>  <b>Action</b> New resources will be applied to the promotion of the card. Approx. cost £15,000 (est)  Cost effective promotion through Council Tax demands etc will be undertaken.  Potential links with Tullie Card, Concessionary Fares etc will be exploited.	“ Improve Social Wellbeing and Health” and by encouraging more visits and more repeat visits from users. It will improve customer satisfaction, and help to achieve top quartile performance by increasing the number of visits.  NA2 KO3 KO4 LS3 SR1 SR3 PA2 AD1	JD/MH	Oct-01	12 Months	Oct-02	Depends on additional marketing resources
12	<b>Opening Hours</b> Would increased early opening of facilities increase customer satisfaction and throughput?	<b>OBJECTIVE</b> <b>To respond to market demands for increased opening hours.</b>  <b>Action</b> Conduct market research and market testing to determine ideal opening hours.  Adjust opening hours in response to research.	“ Improve Social Wellbeing and Health” and by encouraging more visits and more repeat visits from users. It will improve customer satisfaction, and help to achieve top quartile performance by increasing the number of visits.  NA2 KO3 KO4 LS3 SR1 SR3 PA2	JD/MH	Nov-01	6 Months	Apr-02	

13	<b>Access Public Transport</b> Access via public transport to all of the Council's Leisure facilities is poor. This may be a factor in limiting the use of the service by disadvantaged groups particularly elderly, young, non-car owners, rural dwellers etc. The signing of access is also inconsistent.	<b>OBJECTIVE</b> <b>To increase satisfaction with access by 3% a year for 5 years</b>  <b>Action</b> The Council will determine, in conjunction with public transport operators, how public transport access to the city's leisure facilities can be improved.  The Council will improve signage and car park access to leisure facilities.	NA2 KO2 LS1 SF2 SF3 AD1	EC/M B	Dec-01	6 mths	june-02	
14	<b>Co-operation between Sports/ Arts Development and Leisuretime.</b> Would closer working produce customer benefits?	<b>Objective</b> <b>To increase take up of arts and sports development opportunities by 2% a year for 5 years.</b>  <b>Action</b> We will undertake a cost/benefits analysis of the options for co-operation and introduce changes to achieve the above target.	NA2 KO2 LS1 SF2 SF3 AD1	EC/J D/MN /HR	Oct-01	3 months	Dec-01	

15	<b>Cultural Strategy</b> The Council's strategic documents relating to Leisure functions are getting out of date. The intention is to replace them with a single Cultural Strategy for the city	<b>OBJECTIVE</b> <b>To publish the strategy by April 2002.</b>  <b>Action</b> Strategy is being produced in consultation with local cultural organisations.	RCS1 NA1	EC/H R	Sep-01	8 months	Apr-02	
16	<b>Consultation</b> A number of issues dealt with elsewhere in these tables flag up the need for further consultation particularly on services to target groups, opening hours, overall costs of service and views of alternative means of provision.	<b>OBJECTIVE</b> <b>To complete the survey by December 2001 establishing baselines for other targets set above.</b>  <b>Action</b> An extensive surveys will be commissioned to address the following questions: gender, age, place of residence, satisfaction, opening hours, disability, ease of access, costs, gaps in service, balance between sports/ arts/ conferences.  Baselines will be set for future service improvements as detailed in other action plan items.	" Improve Social Wellbeing and Health" and Access targets by encouraging more visits and more repeat visits from a wider range of users. It will improve customer satisfaction amongst a wider audience, and help to achieve top quartile performance by increasing the number of visits.  AD1 SF1 SF2 PA1 SR2 LS3 LS2 LS1 KO7 KO3 KO4	EC/L W	Oct-01	3 Months	Dec-01	

17	<b>Performance Measurement of Marketing</b> Testing of the effectiveness of marketing and promotion work is not carried out consistently and hence we can not be confident that best use is being made of the significant marketing budget. The issues of consistency in branding will be addressed.	<b>OBJECTIVE</b> <b>To increase visits to facilities by 2% per year for 3 years</b>  <b>Action</b> Revision of marketing strategy to introduce further monitoring of effectiveness and ensure consistent branding.	"Improve Social Wellbeing and Health" and by encouraging more visits and more repeat visits from users through more effective use of the marketing budget. It will help to achieve top quartile performance by increasing the number of visits.  KO4 LS3 SR3 PA1 AD1	JD/MH	Oct-01	12 months	Oct-02	
18	<b>Improvements to the Sheepmount Facilities</b> The Sheepmount needs major capital investment to provide the only 8 lane athletics track in Cumbria.	<b>OBJECTIVES</b> <b>See Appendix 3</b>  <b>Action</b> Provision of 8 Lane Track, new and enlarged changing facilities, club facilities etc. and a 2k cycling criterium track.  Introduction of Sports Development Programmes for Football, Athletics and Cycling.	Improve Social Well being and health. Advancing Carlisle. SE1 SE2 SE3 KO1 KO3 KO7 LS1 LS4 YP1 YP2 SF3	EC/H R	Sep-00	15 months for Stage 1	Dec-01	

19	<b>Sands Centre Catering</b> The present contract focuses on financial performance not quality. There are concerns that quality must improve in the future	<b>OBJECTIVE</b> To increase customer satisfaction with catering by 3% each year for 5 years.  <b>Action</b> The contract will be relet and the documentation focussed on satisfying the needs of the diverse users of the facility. This together with a Quality Plan will be reflected in future contract documentation.	KO7 LS2 LS4	EC	Oct 01	6 months	April 02	
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## APPENDIX 2 - Performance Improvement Targets

\*Base performance will be established through the User/Non-User Survey – Action Plan item 16

### Sands Centre

Performance Indicator	Base Performance*	Population	Target Year 1	Target Year 2	Target Year 3
% of residence by age, gender, post code and disability, satisfied with the provision at each facility. To be reviewed every three years.	X%		X+2%	X+4%	X+6%
Under 16	X%	18.2%	X+2%	X+4%	X+6%
16-24	x%	10.2%	X+2%	X+4%	X+6%
25-35	x%	15.1%	X+2%	X+4%	X+6%
36-45	x%	14.0%	X+2%	X+4%	X+6%
46-55	x%	13.9%	X+2%	X+4%	X+6%
56-65	x%	10.9%	X+2%	X+4%	X+6%
66-75	x%	9.6%	X+2%	X+4%	X+6%
75+	x%	8.1%	X+2%	X+4%	X+6%
Male	x%	48.9%	X+2%	X+4%	X+6%
Female	x%	51.1%	X+2%	X+4%	X+6%
North of Carlisle (CA3)	x%	13.2%	X+2%	X+4%	X+6%
West of Carlisle (CA2)	x%	38.5%	X+2%	X+4%	X+6%
East of Carlisle (CA1)	x%	11.0%	X+2%	X+4%	X+6%
Rural Carlisle (CA4-CA8)	x%	31.4%	X+3%	X+6%	X+9%
Elsewhere in Cumbria	x%		X+2%	X+4%	X+6%
Outside Cumbria	x%		X+2%	X+4%	X+6%
Number of swims and other visits per 1000 population			<div style="border: 1px solid black; padding: 10px; text-align: center;">                     The Audit Commission has now dropped these Performance Indicators. Replacement awaited                 </div>		
Net cost per swim/visit					
To obtain a high customer satisfaction level for the activities and the standards of	x%		x+2%	x+4%	x+6%



sport recreation health and fitness service at the Sands					
The net cost per user for Sands Events	£7.41		£7.35	£7.30	£7.25
To programme a minimum of:					
20 classical music and opera			20	20	20
2 dance/ballet			2	2	2
2 theatre/drama			2	2	2
15 rock and pop			15	18	20
10 easy listening, variety & music			10	10	10
5 comedy			5	5	5
5 teenage dance			5	6	7
10 children's' shows			10	11	12
To obtain a high customer satisfaction level for the mix, variety and quality of the arts and entertainment programme.	x%		x+ 2%	x+2%	x+2%

## POOLS

\*Base performance will be established through the User/Non-User Survey –  
Action Plan item 16

Performance Indicator	Base Performance*	Population	Target Year 1	Target Year 2	Target Year 3
% of residence by gender, post code and disability, satisfied with the provision at each facility. To be reviewed every three years.	X%		X+2%	X+4%	X+6%
Under 16	X%	18.2%	X+2%	X+4%	X+6%
16-24	x%	10.2%	X+2%	X+4%	X+6%
25-35	x%	15.1%	X+2%	X+4%	X+6%
36-45	x%	14.0%	X+2%	X+4%	X+6%
46-55	x%	13.9%	X+2%	X+4%	X+6%
56-65	x%	10.9%	X+2%	X+4%	X+6%
66-75	x%	9.6%	X+2%	X+4%	X+6%
75+	x%	8.1%	X+2%	X+4%	X+6%
Male	x%	48.9%	X+2%	X+4%	X+6%
Female	x%	51.1%	X+2%	X+4%	X+6%
North of Carlisle (CA3)	x%	13.2%	X+2%	X+4%	X+6%
West of Carlisle (CA2)	x%	38.5%	X+2%	X+4%	X+6%
East of Carlisle (CA1)	x%	11.0%	X+2%	X+4%	X+6%
Rural Carlisle (CA4-CA8)	x%	31.4%	X+3%	X+6%	X+9%
Elsewhere in Cumbria	x%		X+2%	X+4%	X+6%
Outside Cumbria	x%		X+2%	X+4%	X+6%
Number of swims and other visits per 1000 population		<div style="border: 1px solid black; padding: 10px; text-align: center;">                     The Audit Commission has now dropped these Performance Indicators . Replacement awaited                 </div>			
Net cost per swim/visit					

To obtain a high customer satisfaction level for the activities and the standards of the swimming service at the pools	x%		x+ 2%	x+2%	x+2%
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### Other Services

**\*Base performance will be established through the User/Non-User Survey – Action Plan item 16**

Performance Indicator	Base Performance*	Population	Target Year 1	Target Year 2	Target Year 3
% of residence by gender, post code and disability, satisfied with the provision at each facility. To be reviewed every three years.	X%		X+2%	X+4%	X+6%
Under 16	X%	18.2%	X+2%	X+4%	X+6%
16-24	x%	10.2%	X+2%	X+4%	X+6%
25-35	x%	15.1%	X+2%	X+4%	X+6%
36-45	x%	14.0%	X+2%	X+4%	X+6%
46-55	x%	13.9%	X+2%	X+4%	X+6%
56-65	x%	10.9%	X+2%	X+4%	X+6%
66-75	x%	9.6%	X+2%	X+4%	X+6%
75+	x%	8.1%	X+2%	X+4%	X+6%
Male	x%	48.9%	X+2%	X+4%	X+6%
Female	x%	51.1%	X+2%	X+4%	X+6%
North of Carlisle (CA3)	x%	13.2%	X+2%	X+4%	X+6%
West of Carlisle (CA2)	x%	38.5%	X+2%	X+4%	X+6%
East of Carlisle (CA1)	x%	11.0%	X+2%	X+4%	X+6%
Rural Carlisle (CA4-CA8)	x%	31.4%	X+3%	X+6%	X+9%
Elsewhere in Cumbria	x%		X+2%	X+4%	X+6%
Outside Cumbria	x%		X+2%	X+4%	X+6%
To obtain a high customer satisfaction level for the activities and the standards of service at golf facilities.	x%		x+ 2%	x+2%	x+2%

To obtain a high customer satisfaction level for the activities and the standards of service at the Sheepmount and Bitts Park	x%		x+ 2%	x+2%	x+2%
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## APPENDIX 2

### Code of Conduct

## APPENDIX 2

### Code of Conduct

#### INTRODUCTION

The purpose of these rules is to provide guidance for Officers and Members who are involved in any way with the proposed externalisation of Leisuretime.

Attention is drawn to the need to be alert for the potential to arise of :

- (i) Conflict of Interest
- (ii) Anti Competitive Conduct

#### 1.1 Conflict of Interest

- 1.1.1 Officers and Members have a duty to act at all times in the best interests of the Council. However, during preparations for the externalisation of a Council service it is possible that Officers who may transfer to the new organisation under TUPE may be seconded to work for that organisation prior to formal commencement of the contract. In so doing they must ensure that they do not continue to work on Council business in which a conflict of interest may arise.
- 1.1.2 It is also possible that Members may be appointed to serve on the Board of the new organisation. At the very least such appointment may be viewed as a non pecuniary interest. Members in such a position should declare that interest at all meetings of the Council, its Committees, Sub-Committees and Working Groups and not speak or vote when any matter concerning the proposals falls to be considered at the meeting or participate in the decision making process in relation to the transfer. It would be inappropriate in such circumstances for a Member to serve on the Board and remain a Member of any Sub-Committee or body set up specifically by the Council to deal with the transfer.
- 1.1.3 Any Member who is appointed to the Board or in any other decision making capacity of an external bidder should immediately resign membership of the LCP and should declare a non pecuniary interest when any matter affecting the proposed externalisation is considered at a meeting of the Council, its Committees or Sub-Committees and should not speak or vote on the issue but should withdraw from the meeting.
- 1.1.4 In addition and in order to be absolutely safe, any member who is likely to wish to be considered for a place on the Board in due course when it is set up should stand down from the Leisure Competitive Process Sub-Committee now to avoid any semblance of a potential conflict. Further, any Member of the Leisure Committee or any other Committee which makes decisions on the externalisation process and who has an aspiration to become a Member of the Board in due course should formally declare a non-pecuniary interest and not speak or vote on matters relating to the transfer.

#### 1.2 Anti Competitive Conduct/Unfairness

It is of paramount importance that the tendering process is carried out on a level playing field. It is clear that staff working for Leisuretime will be putting in a bid as an external organisation (e.g. a Trust) in competition against external providers. They must be alert to the need to conduct themselves in such a way that they have not used their position as employees of the Council to gain unfair advantage over external bidders. More guidance on this is given below.

Staff and Members must not be put under any pressure to depart from these rules. If they consider this to be happening they should contact the City Solicitor and Secretary, John Egan on 7004.

## **2. RESPONSIBILITY FOR ADVICE AND DECISION MAKING**

During the process the Council will be advised by a multi disciplinary team ('the Client Team') under the leadership of the Director of Leisure and Community Development consisting of representatives of the City Solicitor and Secretary, the City Treasurer, the Head of Personnel Services, the Head of Property Services and the Sport and Recreation Officer. Meetings of the Client Team shall be chaired by the Director of Leisure and Community Development. The Client Team shall receive external professional advice from Strategic Leisure Limited who have been appointed to advise the Council following a competitive process.

The proposed bid from Leisuretime (through the vehicle of a Trust) will be led by the Head of Leisure Contracts. The Leisuretime team shall receive external professional advice from Leisure Partners Limited.

Officers who are members of the Client Team shall not participate in or advise the Leisuretime Team and vice versa.

The Client Team shall report to the Leisuretime Competitive Process Sub-Committee ("the LCP"). The LCP shall be responsible for making recommendations to the Leisure Committee which shall report to full Council to make any final decisions on transfer.

## **3. PROVISION OF INFORMATION TO BIDDERS**

Leisuretime is not to use its in-house position to obtain information about the tendering process which would not be made available to other actual or potential tenderers or to influence the tender evaluation. The Council will be even-handed in providing information about the existing service including relevant financial and employee information to all tenderers.

It is recognised that the Leisuretime team is bound to be involved in some prior discussion in preparation for the tender process, such as discussions towards preparing the specification and providing basic information required for the tender and contract documentation. Discussions initiated by the Client Team in these areas are acceptable.

## **4. DISCUSSIONS WITH OTHER TENDERERS OR PERSONS WHO HAVE EXPRESSED AN INTEREST**

Leisuretime must, in particular, remain at arms-length during the formal tender process and must not do anything to undermine the level playing field. In particular, it should be noted that holding discussions with other potential tenderers could amount to collusion.



Leisuretime should ensure that it has chosen and notified the City Solicitor and Secretary of its partner or financial backer before the date that tenders are invited, if there is any question that its partner could themselves submit a tender if discussions fall through. Any discussions after that date with other tenderers could be viewed as collusive and the result may be that either Leisuretime or that tenderer may be required to withdraw from the tendering process.

## **5. PROPERTY IN INFORMATION**

All information pertaining to Leisure Services (including all arrangements relating to delivery of all Council services at the facilities) belongs to the Council and, if reasonably requested by the Client Team for tendering purposes, should, as a general rule, be disclosed. If there are doubts as to the reasonableness of such a request or the Leisuretime Team reasonably feels that the commercial confidentiality of its tender is likely to be seriously undermined, the City Solicitor and Secretary will decide on the appropriateness of disclosure in the interests of maintaining competition.

It may happen for example, during the course of the tendering exercise, that information is required to be disclosed by the Leisuretime Team which would not be required from other tenderers. Such information shall be provided where necessary to the City Solicitor and Secretary who will decide whether it should be passed on for the purposes of the tendering process, e.g. enabling tenderers to prepare thorough and realistic tenders of tender evaluation. His decision shall be informed by the objective of maintaining a fair competition, in the best interests of the Council.

## **6. DISCLOSURE OF INFORMATION BY LEISURETIME**

All information held by Leisuretime belongs to the Council. All staff owe the Council a duty of confidentiality. The Leisuretime team has permission to reveal relevant information to its nominated advisers and financial backers purely for the purpose of evaluating and formulating its bid, on the following terms:

- (i) The full name and address of the financial backer or partner is to be disclosed in advance.
- (ii) The Council's agreement is to be sought before appointing a financial backer or partner which could itself otherwise be expected to bid for the contract.
- (iii) The organisation is to sign a letter of confidentiality in the form of the draft appended, or as agreed by the City Solicitor and Secretary.
- (iv) Confidential personal information concerning customers of the service is not to be disclosed
- (v) Confidential information from which individual members of staff can be identified is not to be disclosed without the express permission of the staff member

The names and addresses of potential advisors / financial backers with whom initial discussions are held should be notified to the Client Team. There is no need to procure confidentiality agreements with merely potential advisors / backers provided no confidential information is disclosed.

## **7. CONTACT WITH ELECTED MEMBERS**

At Member level, any approaches to Councillors by staff on issues connected with the proposed bid by Leisuretime are to be via the Client Team. Any approaches from Members are to be reported to the Client Team, together with details of the response (copies if in writing). Where the Leisuretime Team does respond to approaches from Members, the response should be based on the provision of information and professional advice rather than any endeavour to persuade. The principle here is that the Council's decision-making in relation to the proposed bid by Leisuretime should be conducted through the tender process itself and not in any other forum.

## **8. ASSETS AND CONTRACTS**

All the equipment in use by Leisuretime belongs to the Council. Some or all of it will be made available to the successful tenderer on a basis yet to be decided. It must obviously be maintained with this in mind.

There should be an inventory of assets prepared that complies with Financial Regulations. Equipment which is being used by staff at home, if any, should also be included. The inventory should be audited by the City Treasurer who should determine precisely what is meant by 'valuable'.

Any purchases which are made by Leisuretime from now on should not depart from the pattern of purchases required to run the service in-house, and should certainly not be with a view to the potential bid by Leisuretime.

Any single order for the purchase of assets over [£5,000] should be notified to the Client Team. If necessary, this rule will be changed at some appropriate point in the future to a requirement to seek agreement in advance for significant purchases.

Any contract which is to be entered into for a period lasting beyond April 2002 should be notified to the Client Team and permission sought in advance.

There will be occasions when Leisuretime staff are bound to work on the proposed Leisuretime bid during office hours. Further rules on this are set out below. This section merely deals with the question of assets. A reasonable use of the Leisuretime offices for meetings in connection with the proposed bid is acceptable, provided a log is kept of all such meetings and facilities used which is in a form agreed by the City Solicitor and Secretary and is made available to him for inspection from time to time.

## **9. POSITION OF EMPLOYEES WITH A FINANCIAL INTEREST**

The Corporate Standards on conflicts of interest must be complied with in full. All staff on PO1 and above with a personal financial interest should amend their declaration of interest forms. Permission is given to the Leisuretime team members, who have notified a personal financial interest to participate in the formation of a Trust or other vehicle with a view to bidding for the Leisure Management Contract. This permission is required for all APT&C staff above Scale 6 pursuant to NJC purple book conditions. Separate permission should be sought for any further employees who are to have a financial interest. By 'financial interest' is meant an existing or proposed interest in the Trust/Company above and beyond the mere transfer of contracts of employment pursuant to the Transfer of Undertakings regulations.

## **10. USE OF COUNCIL TIME**

The basic rule is that employees' time paid for by the Council must be devoted to the service of the Council.

Time spent in joint discussions with the Client Team and activity needed to prepare the specification and to provide information needed for the contract documentation are a proper use of the Council's time.

Work in arranging financial backing and preparing the tender bid has been sanctioned by the Council and shall be subject to three conditions:

- (i) That all staff fulfil their contracts of employment without exception.
- (ii) That there is to be no detriment to the service.
- (iii) That a log is used to record all activities during the working week (8.30am – 5.30pm) in which staff are involved in Trust/Company activity stating who, the time taken and the justification (flexi-time or annual leave), which is to be made available to the City Solicitor and Secretary on request.

## **11. RECRUITMENT**

The point here is to avoid any changes in structure or job content which would not occur in the normal course of service, but could be seen to be of benefit to the proposed bid. Any formal changes in the structure or job descriptions of staff, or any appointments to senior posts (PO1A and above) should be notified in advance and permission sought from the Client Team.

## **12. CONSULTATION**

The formal consultation pursuant to the Transfer of Undertakings regulations or for redundancy purposes will be carried out by the Client Team. It is nevertheless envisaged that the Leisuretime Team will want to carry out consultation with staff outside this formal process.

All consultation with staff during Council time or on Council premises is to be based on the provision of information rather than persuasion. Denigration of other potential tenderers in the eyes of staff should certainly be avoided, as one of them may become the future employer if successful in the bid.

To maintain transparency in this area, briefing information to staff concerning the proposed Leisuretime bid should be notified to the City Solicitor and Secretary in advance, who should be invited to send a representative who is not one of the Client Team to attend formal briefing sessions with staff.

Dear

## **PROPOSED EXTERNALISATION OF THE LEISURETIME SERVICE**

I understand that you are in discussions regarding acting in association with the management team of Leisuretime the in-house contractor currently providing Carlisle City Council's leisure management service. The Management Team has been tasked with putting in a bid to run the service as a Trust or Industrial Provident Society.

This initiative is authorised by the Council, subject to observance of a set of ground rules to regulate conflicts of interests.

In accordance with these rules, permission has been given to the proposed Leisuretime bid team to disclose information belonging to the Council to its nominated advisors, backers or partners subject to certain conditions:

- (a) That the information is used purely for the purpose of evaluating or furthering the proposed bid for the service, and not for any other purpose
- (b) That the information remains confidential and is not to be disclosed to any person (other than another nominated advisor / backer / partner which has itself signed an equivalent confidentiality agreement) without express permission of the Council.
- (c) Nothing above shall
  - (i) Prevent disclosure as required by law or by a court of competent jurisdiction or as may be in the public domain other than by breach of this clause, and if disclosure is to be made in reliance on this section, you shall inform the Council of that fact, indicating the confidential information to be disclosed and the basis for so doing,
  - or
  - (ii) Preclude the company, in the event that the Leisuretime Team shall decide not to proceed with a bid in association with the Company to run the services, from submitting its own bid to run the services, and that in such event any use by the Company of the information concerned for the purpose of such bid by the Company shall not be regarded as a breach of condition (a) above in so far as it is information which is available to any other bidder (other than Leisuretime).

Please will you kindly indicate your agreement to these terms by signing and returning the attached copy of this letter.

Yours sincerely

CITY SOLICITOR AND SECRETARY

I agree to be bound by the conditions set out in this letter.

Signature .....

Date .....

## APPENDIX 3

### Risk Assessment

# LEISURETIME COMPETITIVE PROCESS – RISK ANALYSIS

Risk Category	Risk Identification		Risk Analysis		Risk Control	Monitoring
	Hazards	Risks	Likelihood	Impact	Control Action	
Strategic	Impact on Corporate Services	Taken in tandem with LSVT, DSO etc impact on the remaining authority will be huge.	3	3	CE/CMT need to address as a matter of urgency and prepare a plan for adjusting to the new circumstances.	This is in hand at CE level.
		Assets for transfer are significant as are the numbers of staff involved. Sufficient resources need to be made available to ensure a smooth transfer.	2	2	A budget of £80,000 has been provided to allow for the appointment of specialist advise.	See Budget monitoring elsewhere on this agenda.
		Remaining support needs to be sufficient to monitor the contract to the required level.	2	2	Council needs to be clear on level of control required.	To be reviewed as the contract documentation is developed
Strategic	Impact on Central Staff	Redundancies	3	3	Need to consider potential for transfer to the contractor. Would some "central" staff be included in the TUPE transfer? If so how would we define who? Also see above.	Consideration in hand alongside Housing etc.



# LEISURETIME COMPETITIVE PROCESS – RISK ANALYSIS

Risk Category	Risk Identification		Risk Analysis		Risk Control	Monitoring
	Hazards	Risks	Likelihood	Impact	Control Action	
Strategic	Loss of control of Key Asset	Council unable to influence operational details of the service. Unable to introduce major change without negotiation	3	2	An objective is to give freedom to the contractor this can not be achieved without some loss of control. Contractual / lease terms need to protect the fundamental position of the Council and to allow scope for negotiation/ partnership working.	To consider when contract documentation is further advanced.
Strategic	Loss of site development opportunity	Long agreement for lease of the building may mean the Council is shackled in terms of redeveloping this site for say 15-20 years.	2	2	The Council may seek a shorter agreement but this will have to be balanced against the probability of lower capital investment if that route is chosen.	To form an element in the assessment of options.

# LEISURETIME COMPETITIVE PROCESS – RISK ANALYSIS

Risk Category	Risk Identification		Risk Analysis		Risk Control	Monitoring
	Hazards	Risks	Likelihood	Impact	Control Action	
Professional	Facilities Condition allowed to Deteriorate	Whilst tenders will require a commitment to repair and renewal the contractor may not carry out this work. Could lead to reduced use and increased dissatisfaction with the services.	1	3	Terms in the contract will require this work to be completed before support grant is paid and should allow repossession in the event of continuing default.	Maintenance issues currently being considered by the Officer group.
Professional	Facilities Prices may rise	This could exclude some target groups.	2	2	Contractors will be obliged to operate the Leisure Card scheme.	To be included in the contract documentation.
Professional	Deteriorating Quality of Service	Reduced use and increased dissatisfaction with the services.	1	3	Payment will be linked to performance measures which will assess levels of use and levels of satisfaction.	For inclusion in documentation.

# LEISURETIME COMPETITIVE PROCESS – RISK ANALYSIS

Risk Category	Risk Identification		Risk Analysis		Risk Control	Monitoring
	Hazards	Risks	Likelihood	Impact	Control Action	
Financial	Revenue	Having insufficient budget to cover the costs of the externalisation	2	2	Budget will be monitored at each meeting of the Members and Officers WGs	See this agenda.
		Anticipated savings may not be achieved.	2	2	No budgetary assumption to be made before contract is let.	Budgetary impact under review.
		Charitable Rate Relief may be withdrawn.	1	3	?	Beyond our immediate control but prospect should be part of the assessment.
		Amount of monitoring required to ensure performance is met.	1	2	The contract needs to be written so as to ensure that monitoring need not be intensive.	Consider in preparing the contract.
	Capital	Investment by the contractor may count against the Council's capital expenditure controls	2	3	Strategic Leisure advise that this can be avoided with the right contractual arrangements.	We are now satisfied this is not a risk.

# LEISURETIME COMPETITIVE PROCESS – RISK ANALYSIS

Risk Category	Risk Identification		Risk Analysis		Risk Control	Monitoring
	Hazards	Risks	Likelihood	Impact	Control Action	
Legal	Potential restrictive covenants on land to be transferred	Could constrain transfer or future use of sites.	1	3	City Solicitor need to check deeds.	Checked – no problems
Contractual	Potential Abuse of Facilities by contractor	A contractor once in possession of the building may wish to make inappropriate use of them.	1	3	Terms of agreement will require certain standards and will prohibit certain changes. The working group/committee need to be satisfied that these are comprehensive without constraining the contractor.	Need to consider when approving agreement terms.
Contractual	Impact on Leisuretime Staff	Erosion of conditions of employment Redundancies	3	3	Contract requires TUPE or better and protection of pension provision.	Ditto
Contractual	Contractor Failure	Contractor may be unable to deliver the services for the life of the contract.	1	3	Council needs to ensure that contract conditions allow for this contingency.	Ditto

# LEISURETIME COMPETITIVE PROCESS – RISK ANALYSIS

Risk Category	Risk Identification		Risk Analysis		Risk Control	Monitoring	
	Hazards	Risks	Likelihood	Impact	Control Action		
Contractual	Disclosure	Dispute/litigation may arise with contractor due to failure by the Council to disclose key data.	2	3	Council must comprehensively plan and record the disclosure of all relevant information.	Officer group to establish disclosures arrangements.	
Contractual	Grant Clawback/ restrictions	Conditions of grant received in the past may allow for clawback in the event of transfer of possession.	1	2	Need to check grants received and pending.	Check underway – no problems so far.	
Technological							
Environmental							
Physical							

## APPENDIX 4

### Core Fixed Issues

- 2.2.10 **Council Core Fixed Operational Requirements;** Despite the output/outcome basis of the arrangement, there are certain areas that the Council wished to see preserved, enhanced or developed. Additionally the Tenderer will be invited to demonstrate how it intends to address Best Value and the concepts of continuous improvement, which is fundamental to the operation and development of the services.
- 2.2.11 **Core Opening Times:** The facilities will be required to be open to the public at least in line with the current provision. Opportunities may be available for the operator to suggest adjustments to opening times in consultation with users and the Council.
- 2.2.12 **Leisure Access Card:** Details of the Council Leisure Access Card Scheme are attached (Appendix XX). The contractor will be obliged to comply fully with this scheme. The Council reserves the right to review this scheme. This will be done in conjunction with the contractor and any disputes will be referred to an agreed arbitrator.
- 2.2.13 **Performance Card:** Details of the City Council Red Leisure Card Scheme is attached (Appendix XX). The Council reserves the right to review this scheme. This will be done in conjunction with the contractor and any disputes will be referred to an agreed arbitrator.
- 2.2.14 **Club Contracts:** The facilities have a number of clubs and club activities that will need to be continued under the new arrangement. The details are contained in section XXX. The provision needs to be at least the same as at present. Variations will only be permissible following consultation and agreement with the clubs and the Council.
- 2.2.15 **Schools provision:** The use by schools of the facilities is a fundamental part of the facilities programme and development. The current level of provision and charging mechanism is identified in Appendix XXXX. Any amendments to the current provision which is to be considered the minimum provision, is only permissible



following consultation and agreement with the schools/LEA and the Council.

2.2.16 **Sports / Entertainment Split:** The Sands Centre is a unique building that caters for many activities and customers. The main hall is specifically designed for both sport and entertainment.

- The Council wishes the current allocation of time and space for each of these to continue in order to provide for all community needs. The programme of opportunity for the hall is set by the overall blueprint and, in determining the balance between entertainment, sport and arts an Entertainment Programme amounting to the equivalent of three days per week over the course of the year is in place, managed as follows:
- Monday – Thursday, solely for the use of sport with the exception of up to 5 days per year for each day for long standing bookings and in-house promotions of a significant nature. To be no more than 1 per month.
- Friday – Sunday, solely for the use of non-sport activity with the exception of up to 5 days per year for one-off sports activities and events. To be no more than 1 per month.

2.2.16.1 Special exemption to the above will be given to enable the production of an annual professional pantomime to be programmed in during the December / New Year period. This arrangement will be subject to negotiation with the Council.

2.2.17 **Election Count Access:**

- Sands Leisure Centre is used for District and European Election Counts. These normally require the use of the main hall from 12 noon onwards on the day of the count. Payment will be made at the rate of £?????.00 per day linked to RPI. Requirements for such use that are known at present are May 2nd 2002
- In 2002 there are elections in May. The point of contact for the Council for information is The Electoral Services Manager Tel:

..... When elections are called the Council will endeavour to notify the Tenderer immediately.

- Additional time may be required due to circumstances outside of the Electoral Services Manager's control. The Tenderer is expected to accommodate the requirements requested for which additional remuneration will be paid at the rate referred to in clause 1.8.1
- No "*loss of income*" claims will be accepted by the Council for the requirements of providing electoral venues from such electoral venues.

2.2.18 **Use for Emergency Purposes:** The sands centre is identified in local plans for use as a reception centre and media centre. If considered necessary the County Emergency Planning Officer or the City Council, will override all other commitments in the centre. Recovery of consequential costs from the Emergency Planning Authority (Cumbria County Council) will be a matter of negotiation with them. The Sands Centre will be responsible for nominating and training staff (with support from the Emergency Planning Authority) to discharge these functions on an ongoing basis and to the satisfaction of the City Council and County Emergency Planning Officer.

2.2.18.1 In support of its Community Plan Key Objectives the Council may wish to continue or initiate activities or programmes by agreement with the contractor. (This may also be in response to initiatives from the contractor.) Additional financial support may be available for such programmes when necessary. The Council reserves the right to discontinue such programmes. It is not possible to define all of these in advance but they will include:

- **Orchestral Subscription Series:** The Council will make a sum of £XXX available annually in support of a series of X orchestral concerts. Details of recent series are attached and it will be the responsibility of the contractor to propose an equivalent series. The Council's subsidy will be agreed in confirming the proposed programme and paid in Xths on completion of each concert.

- **'Pay and Play' Concept:** Maintain the 'pay and play' concept , the existing programme allows for a balance between pay and play activities, programmed courses and club use, school use, and events. The council wishes the balance between these activities to continue and wishes to prevent domination by any one activity. However, the operator is free to develop the programme as they see fit in line with Sport England sports development policies, local sports development policies and commercial considerations.
- **Charges and Admission: (except Leisure Access Card and Performance Card)** The maximum charges for the use of, and admission to the Centre for the duration of the contract will be as agreed with the Council. The Operation Plan shall indicate the prices the contractor intends to charge. For guidance, the current charges are as specified in Appendix XX. These charges are inclusive of VAT. The contractor is free to managed the admission prices within the maximum allowable, informing the council in advance of any changes (30 Days)
- Review Process, to be reviewed annually with Council

2.2.19 **Sports Programme:** In line with best practice and sports development continuum, the tenderers proposals for programmes of use must take account of the following:-

- The Contractor must maintain a balanced programme of sports activities catering for a wide range of different sports.
- The Contractor must maintain a balanced programme in terms of time available for casual use, coached activities, school use and Centre-run club activities.
- The Contractor not must allow the sports hall to be used for any activity that will damage the fabric of the building or fixed equipment contained therein.
- Programmes of use may vary according to the time of year to reflect changing seasonal requirements and during school holiday periods, programmes of use are amended so that the particular

requirements of school children can be met.

- Furthermore the Council seeks to provide programmes of use which, in conjunction with its policy of providing concessionary use for certain categories of users, aim to positively encourage certain sections of the community to take part in sport and leisure activities.

These are:

- a) access by school pupils for curricular and extra curricular activities
- b) access by organised voluntary sector groups e.g. **Swimming Clubs at The Pools and Border Harriers at the Sheepmount.**
- c) access by those on lower incomes and those with carer responsibilities
- d) access for those with significant learning difficulties and those who benefit substantially from the activities for health/learning reasons
- e) access for particular activities/facilities e.g. ensuring breadth of programme in order that residents have opportunities to learn new activities or develop their skills (such as learn to swim programmes). This could also include access by organised groups from Council Services e.g. day services for disabled people.

2.2.20 **Sports Development:** The City Council is in the process of developing their specific requirements and Sports Development aims and targets. The operator is expected to embrace and complement these aims and the will be included in the negotiation process. The Sports development strategy document is expected to be available in December.

## APPENDIX 5

### Capital Schemes

## APPENDIX 1 - Capital Improvement Objectives and Targets

During the consultation process, a number of areas of dissatisfaction were highlighted where customers wanted improvements to be made. Below is a schedule of these, with provisional costings and an explanation of the customer benefits.

Improvements to the Sheepmount have not been included in this schedule details of the improvements, customers benefits and objectives for this scheme can be found in Appendix 3.

Improvement	Customer Benefits	Estimated Cost
<u>Concert Seating</u>  <b>OBJECTIVES</b> To improve customer satisfaction at concerts/ events by 10% post installation.  To increase tickets sales at events by 5% post installation.  To increase "useable time" in the main hall by 10% by decreasing set up time.  To decrease set up costs by 10% through quicker set up times.  <b>Action</b> Replace the main hall seating with up-to-date configuration.	Enhanced customer experience through greater comfort, improved sightlines and lower noise levels.       Faster set up/take down freeing more time for alternative use and reducing costs for hirers.  Reduced costs to hirers  NA2 KO3 KO7 LS1 LS4 AD1	£250k

<p><u>Bar, Catering &amp; Additional Ladies Toilet Areas</u></p> <p><b>OBJECTIVES</b> To increase customer satisfaction by 5% through improvements to catering areas.</p> <p>To increase customer satisfaction by 5% with concerts/events by reducing congestion and queuing times.</p> <p><b>Action</b> To build additional 110 sq. m. conservatory bar, and restaurant space and provide new ladies toilets.</p>	<p>Extended catering areas, reduced queuing times, more seating for intervals.</p> <p>Reduced concert interval crushes.</p> <p>NA2 KO7 LS1AD1</p>	<p>£105k</p>
<p><u>Extended Entrance and Disabled Lift</u></p> <p><b>OBJECTIVE</b> To increase customer satisfaction by improved access, increased crush space for pre- event and interval drinks etc.</p> <p>To ensure DDA compliance.</p> <p><b>Action</b> To add new foyer space of 85 sq. m. and new entrance with disabled lift access to first floor.</p>	<p>Reduced pre-concert and interval crushes. Better separation of sports/ entertainment users.</p> <p>Improved disabled access.</p> <p>NA2 KO7 LS1 LS3</p>	<p>£175k</p>



<p><u>New Stoney Holme Pavilion</u></p> <p><b>OBJECTIVES</b> To increase user satisfaction with golf services by 10% post improvement.</p> <p>To increase use of the course by 5%.</p> <p><b>Action</b> To renew existing pavilion with purpose-design club pavilion with appropriate lockers, bar, catering, professional facilities @ 400 sq. m.</p>	<p>Enhanced customer experience encouraging return visits.</p> <p>Improved professional facilities for coaching</p> <p>SE2 KO3 LS4 SR1</p>	<p>£550k</p>
<p><u>Pools New Conservatory Café</u></p> <p><b>OBJECTIVES</b> To improve user and spectator satisfaction with the services by 5%.</p> <p><b>Action</b> To extend out the vending area and alter to served café service with 82 sq. m. additional space.</p>	<p>Improved "after swim" experience and waiting area.</p> <p>KO3 KO7 LS4</p>	<p>£65k</p>
<p><u>Dedicated Car Park</u></p> <p><b>OBJECTIVE</b> To improve access to the Pools for people travelling by car contributing to target for increased satisfaction of 3% each year for 3 years.</p> <p><b>Action</b> Create car parking for swimmers only to north end of complex utilising land owned by Council.</p>	<p>Easier, safer, free access.</p> <p>KO3 SF2</p>	<p>£50k</p>