



Subject:	Leisure Management Contract Governance and Performance Reporting
Date:	18th November, 2022
Reporting Officer:	David Sales, Director of Neighbourhood Services
Contact Officer:	Noel Munnis, Partnership Manager

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Sometime in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report/Summary of Main Issues
1.1	To present proposals for the future governance of the leisure management contract, including contract compliance and performance reporting.
2.0	Recommendations
2.1	The Committee is requested to consider: i. the recommendation that the People and Communities Committee is the most appropriate route for future Council reports; and ii. the proposed contract compliance and performance report schedules presented below at 3.5 and 3.6.
3.0	Main Report
	<u>Background</u>
3.1	The Committee is reminded that, in November 2020, it agreed to review the tri-partite leisure model and the ABL Board, including its membership and governance arrangements. Terms

of Reference were approved in June 2021 and First Point Management and Consultancy Limited was appointed to conduct the review.

The final review report was presented to this Committee on 25th March 2022. After consideration, the Committee approved Option 3 as the preferred way forward, namely, to bring Contract Compliance and Performance Monitoring of GLL back into the Council and commence the winding up of ABL. That decision was subsequently ratified by the Council on 4th April.

ABL has been dormant since 6th June and will remain so until formally dissolved.

Contract compliance, performance management and financial transactions have been managed through the City and Neighbourhood Services Department (CNS) since 6th June. This will continue until new mechanisms for direct Council governance are agreed.

Proposals for Committee consideration include general oversight arrangements, periodic reports, key performance indicators, budgets and financial transactions and audit/risk assurances.

Outcomes and Proposals

3.2 This report sets out options and proposals for the future governance of the leisure management contract. CNS will continue to gather and collate contract compliance evidence and performance data as previously required for reporting through Active Belfast Limited.

Committee Reporting and Governance Overview

3.3 Following the decision to bring management of the GLL leisure contract back under direct Council control, an agreed reporting mechanism is now required. It is recommended that CNS prepares contract compliance and performance monitoring papers to:

- a) Report directly into Committee. People and Communities is recommended as the most appropriate Committee.

It is anticipated that, within the first Committee report, report formats and frequencies together with specific performance measures will be presented for consideration.

Contract compliance

3.4

Contract compliance assurances are already well established. CNS takes a central role in collating information and works with Corporate H and S, Corporate finance, Audit, Governance and Risk Services and Legal Services to review and present assurances.

Contract compliance requirements are set out within the legally binding contract with GLL. As these contractual requirements will remain unchanged, it is proposed that the same suite of check mechanisms and assurance reports be retained as part of direct Council governance procedures. For example, existing mechanisms include:

- a) Assurances on key BCC/GLL policy alignments
- b) Health and Safety (including Safeguarding) reporting
- c) Timelines for submission of key annual proposals around, pricing, programming, marketing and promotion, sports development, community engagement, etc.

Performance Reporting

3.5

Periodic performance report measures and formats have evolved since contract commencement in January 2015. The current scorecard format has provided consistent and comparable management information for the last four years. Nine key performance indicators (KPI's) are presented under the following three themes:

- a) Business (financial)
 - Labour cost recovery
 - Expenditure recovery
 - Cost per visit
- b) Membership
 - Pre-Paid monthly membership net gain
 - Pay and Play membership net gain
 - Swim School membership net gain
- c) Occupancy
 - Main hall occupancy to capacity ratio
 - Studio occupancy to capacity ratio
 - Synthetic Pitch occupancy to capacity ratio

	<p>The above KPI's present a solid overview of contract performance. All three themes are accepted within the wider leisure industry as key drivers of overall performance.</p> <p>To provide the above, CNS would continue to collate more detailed data, beyond the nine listed KPI's, which would be retained on file should additional or more specific ad-hoc performance analysis be requested.</p> <p>3.6 It is recommended that contract compliance and performance reports be presented to Committee on a six-monthly basis presented in November and May. This would allow for sufficient time to collate and verify management information data related to the preceding six-month periods of April to September and October to March.</p> <p>CNS would continue to collate monthly management information data on a centre-by-centre level. Unless otherwise requested, six monthly committee reports would be presented at a strategic overall service level supported by centre specific performance examples where appropriate.</p> <p><u>Summary</u></p> <p>3.7 The Committee is requested to consider the governance proposals/recommendations set out above.</p> <p>Key decisions required relate to overall governance mechanisms at 3.4, contract compliance assurances at 3.5 and performance reports at 3.6.</p> <p><u>Communications and Public Relations</u></p> <p>3.8 None</p> <p><u>Financial and Resource Implications</u></p> <p>3.9 None</p> <p><u>Equality or Good Relations Implications / Rural Needs Assessment</u></p> <p>3.10 None</p>
4.0	Documents Attached
	None