

Report of: Chief Officer, Operations

Report to: Director of City Development

Date: 22 January 2021

Subject: Service Review Active Leeds – Operating Efficiencies at John Charles Centre for Sport

Are specific electoral wards affected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, name(s) of ward(s): It is worth noting that users travel from all over Leeds to access JCCS.	
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, access to information procedure rule number:	
Appendix number:	

Summary

1. Main issues

- A report to the Council's Executive Board in October 2020 highlighted a budget gap in 2021/22 of £118.8 million, of which £59.1 million is due to the ongoing financial impact of Covid-19. In response, a number of proposals were put forward for Active Leeds, which included a proposal to deliver operating efficiencies within John Charles Centre for Sport and exploring a potential third party option to operate the indoor tennis centre.
- The efficiencies proposals include and increase to fees and charges which is targeted activity and commercial event activity (subject to the events industry having recovered from COVID). Cost recovery from the training scheme by increasing fees and decreasing costs. Review of onsite staffing structures with an aim of reducing staffing levels which will be achieved through the current vacancies and ELI process and the appointment of a third party operator by way of lease or licence to operate the indoor tennis centre.
- Consultation on the proposal to explore a potential third party operator began on the Monday 23rd November and concluded on the Monday 04 January 2021, with 13 responses obtained from the survey. Key concerns raised were that 46 % of people responding highlighted the proposal would have a negative impact on their physical activity levels and therefore both physical and mental health. Respondents were supportive of exploring a potential 3rd party to operate the indoor tennis centre to safeguard the facility and ensure investment into the facility continues.

2. Best Council Plan implications (see the [latest version of the Best Council Plan](#))

John Charles Centre for Sport contributes to the Councils vision for Leeds to be the best City in the UK and the following Best Council Plan priorities:

- Health & Wellbeing; supporting healthy, physically active lifestyles. Reducing health & inequalities
- Child Friendly City; Improving social, emotional and mental health and wellbeing
- Age Friendly Leeds; Promoting opportunities for older people to be healthy, active, included and respected

This facility contributes to wider plans such as Get Set Leeds (Get Set Leeds is a partnership of people from all over the city who want to play a part in making Leeds more active). Thousands of people across of the City have told us that that an Active Environment which includes access to facilities and activities would encourage activity levels.

It also contributes to the Leeds Health & Wellbeing Board priorities which is 'More people more physically active, more often'

It links to a council Key Performance Indicator of reducing the number of people who are inactive which currently Leeds has 21% of the adults population doing less than 30 minutes of physical activity a week.

3. Resource implications

- The proposal was to achieve savings of £200k through a mixture of
 - a. increases to fees and charges,
 - b. increased commercial activity
 - c. through a new approach to the operation of the existing Tennis Centre.
- Savings have been identified for a) and b) above and this report deals with the implications of realising c).
- Interest has been received from one third party organisations to explore the potential operation of the Tennis Centre. However more time is required to explore the interest of the organisations. Yorkshire Lawn Tennis Association and Lawn Tennis Association are supporting 3rd party organisation. The service will find replacement savings of 50k initially to allow for 2021/22 slippage while these discussions continue to take place.

Recommendations

It is recommended that the Chief Officer Operations approves:

- a) to allow for extra time to hold discussions with the interested third party to establish a lease or licence arrangement.
- b) the slippage of achieving these savings from this proposal note savings will be found from with Active Leeds which includes one off savings from staffing vacancies, ELI and energy management.

1. Purpose of this report

- 1.1 The purpose of this report is to provide an update on the consultation undertaken on the proposal to achieve a number of efficiencies from John Charles Centre for Sport which includes the potential if a third party operator for the indoor tennis centre.

2. Background information

- 2.1 John Charles Centre for Sport is a unique site. It carries the highest net operating costs of all Active Leeds sites. In practice the site is actually an amalgamation of a number of separate specialist sports facilities, with inefficiencies built in, such as separate reception points for each building. (Aquatics centre/Main stadium with stand/Tennis centre/Indoor Bowls and Athletics centre/Outdoor all weather pitches). The site recognises the city's regional and sub-regional role in the provision of these specialist facilities, however, their provision comes at a cost. The site generates a throughput of 403k visits pa, with overall attendances on a downward trajectory in recent years (434k in 2017/18).
- 2.2 The majority of the net costs are associated with the Aquatics Centre (50m pool and Diving) and the Stadium itself (stand/athletics track/infield).
- 2.3 The tennis centre operates at a subsidy with the recent partnership with the Yorkshire Lawn Tennis Association proving to be very beneficial in improving the tennis offer and reducing operating costs.
- 2.4 Varied programme of activities and events operate from John Charles Centre for Sport. A new pricing model will allow the service to target those activities where opportunities exist to achieve more for example the commercial event activity (subject to the events industry having recovered from COVID).
- 2.5 Activity is ongoing to improve the cost recovery of the Training Scheme by working in partnership with clubs and the National Governing Bodies to increasing fees and decreasing staffing costs.
- 2.6 A review of on-site staffing structures, with the aim of improving the structures and the efficiencies across all four sites is underway.

3. Main issues

- 3.1 The financial savings of £200k will be achieved however further time is required to continue the work with the interested third party in relation to the operation of the Tennis Centre, this will mean that the service will need to find replacement saving of 50k for financial slippage in 2021/22.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Consultation started on Monday 23rd November and concluded on the Monday 04 January 2021. The methods used to consult included an online survey which was on the main Council website and Active Leeds website. Paper copies were also available at all of our leisure centres. -our town Facebook which has over 10000 followers.

- Active Leeds members (Active Leeds cards, memberships and learn to swim members) were directly contacted about the consultation through social media and email.
- Virtual conversations have taken place with a number of users.
- Virtual public meetings were also held between December and January 2021.
- Staff have been consulted on the proposal and feedback has been captured as part of the consultation process.
- In addition the service has also received a number of emails, comments and direct letters on this proposal which has also fed into this process.

4.1.2 The survey itself returned 13 responses. A full summary report of the responses is included as appendix 2 with some key highlights noted as follows:

- 13 responses to the survey. 13 individual responses
- 6 of those who responded access the facility on a weekly basis.
- 6 (46%) of the respondents have indicated that the proposals would have a negative impact on their physical activity levels and therefore physical and mental health.
- Supportive of exploring a potential 3rd party to operate the indoor tennis centre to safeguard the facility and ensure investment into the facility continues.
- Suggestions included offering alternative programmes such as more social tennis in the evenings.

4.2 **Equality and diversity / cohesion and integration**

- An Equality, Diversity, Cohesion and Integration Impact Assessment has been completed for the original proposal to withdraw from the shared use agreement. This is attached with the report.

4.3 **Council policies and the Best Council Plan**

John Charles Centre for Sport contributes to the Councils vision for Leeds to be the best City in the UK and the following Best Councils plan priorities:

- Health & Wellbeing; supporting healthy, physically active lifestyles. Reducing health & inequalities
- Child Friendly City; Improving social, emotional and mental health and wellbeing
- Age Friendly Leeds; Promoting opportunities for older people to be healthy, active, included and respected

- Leeds City Council's Best Council Plan includes ambitions for '*improving air quality, reducing pollution and noise*'. Accessible and local facilities will reduce the need to travel outside the local area which will contribute to reducing the carbon footprint across the City. The vast majority of users walk to the facility, however if the facility is withdrawn, this will require people to travel further and due to limited public transport, the vast majority may drive. However green travel to another facility would be encouraged.

4.4 Resources, procurement and value for money

- The proposal was to achieve savings of £200k. 150K of these are achievable however further discussions with the potential third party will result in the further 50k achieved mid-way through the year.
- The service will find a replacement savings initially to allow for 2021/22 slippage while these discussions take place and a new agreement is developed.

4.5 Legal implications, access to information, and call-in

- There are no legal implications arising from this decision to continue further work on options.

4.6 Risk management

- There is no risk in proceeding with the alternative service delivery model other than budgetary pressures should there be a shortfall in the identified savings target.

5. Conclusions

5.1 This report highlights that required saving of £200k can be achieved.

5.2 It also provides detail on an option to continue the work with the interested third party in relation to operation of the Tennis Centre to identify options to deliver a more cost effective service. This would ensure the facility remains accessible to all existing users groups and provides further opportunities for the local people to partake in physical activity.

6. Recommendations

It is recommended that the Chief Officer Operations approves:

- To allow for extra time to hold discussions with the potential third party to develop to a new partnership to operate the existing tennis centres on a lease or licence arrangement which assists with delivery of the financial saving.
- The slippage of achieving these savings from this proposal note savings will be found from within Active Leeds which includes one off savings from staffing vacancies, ELI and energy management.

7. Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.