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Minutes of the meeting of the **Contracts Panel** held on **16 June 2000** when there were present:

Cllr G Fox  
Cllr Mrs J Helson  
Cllr A Hosking  
Cllr G A Mockford

Cllr M G B Starke  
Cllr P F A Webster  
Cllr D A Weir

### **OFFICERS PRESENT**

P Warren	- Chief Executive
R Crofts	- Corporate Director (Finance and External Services)
D Timson	- Property Maintenance and Highways Manager
Miss E McIlwaine	- Leisure Client Officer
G Brazendale	- Committee Administrator

Mr Robin Thompson, Mr Jim Buller and Mrs Fran Hodgkinson from PMP Consultancy were also present.

### **93 APPOINTMENT OF CHAIRMAN**

#### **Resolved**

That Councillor D A Weir be appointed Chairman of the Sub-Committee.

### **94 MINUTES**

The Minutes of the Meeting held on 6 April 2000 were approved as a correct record and signed by the Chairman.

### **95 TERMS OF REFERENCE**

The Sub-Committee's terms of reference, as agreed at Annual Council, were noted.

### **96 LEISURE/BEST VALUE**

The Sub-Committee considered the report of the Chief Executive which outlined the concept of Best Value to Leisure Services, and sought Members' views on the way in which leisure provision had hitherto been undertaken and possible threats/opportunities for the future.

Members were reminded that Council had agreed to include Leisure Services as a Year 1 Best Value Service Review, and consultants had been appointed to develop a future leisure strategy. In addition, a small officer group had also been established to consider leisure

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services using Best Value principles, examining service provision from an internal perspective.

The Panel then considered in detail the weaknesses, strengths, opportunities and threats in relation to the provision of a leisure service within the District, and identified the following main points:

### Weaknesses

- Expenditure. Concern was expressed about the cost of the leisure service, in particular repairs and maintenance, which fell to the Council to meet. The Chief Executive provided Members with details of the costs of this element and the management contract.
- Image/profile of the service. There was perceived to be confusion among the public as to the ownership of, and responsibility for, the District's leisure assets.
- Few community facilities at the leisure buildings and restricted access for some groups.
- The need to pay rates.
- Lack of management information, particularly financial, about the facilities' use.
- Variations/additions to the contract were difficult to implement.
- The initial principles upon which the leisure contract was based had become obsolete, which was particularly significant given the contract's extension beyond the timeframe initially envisaged.
- A lack of focus upon arts/non-sport orientated activities.
- The need for promotional material to highlight the Council's role in providing leisure facilities, and to be co-ordinated with "Rochford District Matters".
- The achievement of a balance between commercial profitability and community interests.
- The need for comparative information with which to assess the Council's leisure service with that of other Local Authorities /commercial providers.

### Strengths

- The integrity/strength of the provider in comparison with others in the leisure industry.
- Helpful/supportive staff.
- The provision of a good value service.
- A good working relationship with Council Officers.
- A good public perception of the service provided, with few complaints.
- Accurate market sensitivity to trends within the leisure industry, and appropriate investment.

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- Targeting of the specific needs of particular community groups.
  - A “no risk” marketing strategy for the Council, including a fixed management fee.

#### Opportunities

- Demographic changes, and the need to develop an appropriate response. This would necessitate an evaluation of existing expenditure upon different population age groups.
- Asset review, to determine the need for certain facilities.
- A review of the purpose of the Council’s leisure provision; whether to ensure universal access, or to focus upon target population groups.
- Consideration of the opening hours of leisure facilities.
- Identification of demand for non-sports activities.
- Exploration of options for co-ordination and join working with other Councils/local agencies.
- Review of the costs to the Council of providing a leisure service and the possibility of transferring the fixed cost element to other agencies.
- Comparison with external leisure providers, and identification of possible improvements.

#### Threats

- New competition.
- Limited finance.
- Changes in consumer choice.
- Adaptation to demographic changes.
- Meeting, and embracing, developments in information technology.
- Changing political priorities for funding by central government.
- Increasing government legislation.

### **RECOMMENDED**

That the implications of Best Value in respect of leisure services be noted, together with the Panel’s views on those aspects that should be taken into account at this early stage in the Best Value Review Process as outlined above. (CEX)

## **97 LEISURE CONSULTANCY**

The Panel considered the report of the Chief Executive which, together with an appended paper, gave details of the process that the newly

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appointed Leisure Consultants, PMP Consultancy, proposed to follow in their review of the Council's leisure service provision.

The Chairman introduced, and welcomed to the Meeting, Mr Robin Thompson (Director), Mr Jim Buller (Research Team) and Mrs Fran Hodgkinson (Principal Consultant), from PMP Consultancy who gave a presentation exemplifying the report to the Panel.

The presentation covered the following areas:

- The background to PMP Consultancy, and their experience in undertaking similar projects for other authorities.
- Objectives: to establish the demand for leisure facilities within the District; to identify options for provision; possible funding strategies; and to recommend a way forward.
- Key Issues. These comprised a review of the existing leisure contract and possible improvements; the ageing nature of many of the Council's leisure facilities; the need for future investment from a variety of sources; the implications of decisions relating to ongoing revenue costs; achieving a balance between commercial and community needs; an evaluation of the opportunity costs of the Council providing a leisure service; and the need to avoid raising public expectations.
- Work Programme. This comprised an initial briefing meeting with Officers; a strategic review, evaluating policy documents and experience both within the District and externally; a market assessment examining demographic trends and catchment areas; a consultation process which was outlined in detail; the development of a mix of options, including recommendations about the location and type of facilities; an initial review meeting to examine the options in detail; site assessments; delivery options (such as Trust, Private Finance Initiative (PFI), or the development of a new contract); development of a funding strategy (such as a public/private sector partnership, and the use of capital receipts); project development identifying the timescale and targets for implementation; and a final review meeting outlining firm recommendations. This could include a workshop for Members relating to PFI possibilities.

Members then raised a number of questions relating to the market assessment and procedural elements of the review process. In relation to the latter, the Chief Executive confirmed that the first review would comprise a report to Full Council; and the final review's recommendations would be considered first by the relevant Sub-Committees and subsequently by Council. It was anticipated that the entire review would be concluded by the end of September 2000. Members referred to the value of including a PFI workshop as part of the process; and the need to focus upon developing a suitable leisure contract which would govern future service provision.

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**RECOMMENDED**

That the proposals put forward by PMP Consultancy (as outlined above) for undertaking public consultation in relation to the review of leisure be endorsed. (HLCS)

The Meeting opened at 10.00am and closed at 11.40am

Chairman.....

Date.....