

TUNBRIDGE WELLS BOROUGH COUNCIL

CABINET

Monday, 16 August 2021

**Present: Councillor Tom Dawlings (Chairman)
Councillors Scott (Vice-Chairman), March and McDermott**

Officers in Attendance: Lee Colyer (Director of Finance, Policy and Development (Section 151 Officer)), Paul Taylor (Director of Change and Communities), Gary Stevenson (Head of Housing, Health and Environment), Claudette Valmond (Principal Solicitor) and Caroline Britt (Democratic Services Officer)

Other Members in Attendance: Councillors Hamilton, Hayward and Pound

APOLOGIES

CAB47/21 Apologies for absence were received from Councillors Bailey and Fairweather.

DECLARATIONS OF INTEREST

CAB48/21 There were no disclosable pecuniary or other significant interests declared at the meeting.

NOTIFICATION OF PERSONS REGISTERED TO SPEAK

CAB49/21 Councillors Bailey, Hamilton, Hayward and Pound had registered as wishing to speak on Agenda Item 4 – Sports Centre Management Contract. .

FURTHER CONSIDERATION OF CABINET DECISION - SPORTS CENTRE MANAGEMENT CONTRACT

CAB50/21 Registered Speakers:

Councillor David Hayward
Councillor Hugo Pound
Councillor Sarah Hamilton
Councillor Matthew Bailey (Statement read out on his behalf)

Discussion by Members included the following:

- The aim over the last 18 months was to ensure continuity of service to residents and to improve their experience in the 3 leisure centres.
- A total of 1 ½ million people use the centres each year.
- The decision by Cabinet was for an extension, not procurement.
- The 5 conditions that Cabinet agreed would allow for a full consultation that followed Best Practice from Sport England and a full procurement exercise.
- Regular meetings took place that allowed ample opportunity for all Members to raise any concerns or questions.
- Fusion were an experienced supplier well able to manage in this specialised field.
- The process for a new contract was extensive and would take time. A decision was therefore taken to extend the existing contract that would

allow time to conduct a full review of all the options. It would further allow the market to fully recover from the pandemic and for people to adjust to the new normal with regard to the use and demand of sports facilities.

- It was important to secure the services for residents without further interruptions.
- There would be a need to establish which suppliers would still exist once the effects of the pandemic had eased.
- It was standard practice to have different rules for a contract extension and a new contract.
- A contract extension at this time was in the best interest of residents as it secured the current levels of service. It also secured management fees and capital investment and avoided any potential mothballing or gap in provision.
- Due to the pandemic, cleaning services were being undertaken by all staff. It was now standard practice for all equipment to be cleaned after every user.
- The extension mitigated against short term risk and allowed the services to continue uninterrupted.
- Given the unprecedented conditions during the pandemic, waiving the management fee last year was not an unusual action to take. Government were keen to encourage local councils to support local businesses. In any event, it was likely most of the money would be recovered.
- The decision taken by Cabinet was well researched and well understood.
- At the appropriate time, other organisations would be approached.
- Membership at the centres had increased.
- Government had supported companies including Fusion with loans that would allow them to get through a very difficult time.
- A considerable amount of work would be needed in order to establish if other organisations were in a position to be able to offer the service required to run a sports facility.
- Careful consideration would need to be given before any alternative company could be put forward as a viable option.
- The Council were clear that Fusion must deliver an acceptable level of service. There were no guarantees with regards to the next contract.
- Local authorities across the country were now having to deal with the financial and operational consequences of the pandemic on leisure facilities with some contracts becoming non-viable. This despite some receiving significant funding.
- Market conditions were now very different. Consideration would be given for all options for the provision of leisure facilities when the market turbulence caused by the pandemic had settled and future demand was better understood.
- Any new provision would need to be assessed taking the Council's financial position fully into account.
- The pandemic had shone a spotlight on physical and mental health. The decision to seek an extension represented the best short term option for the Council to mitigate any financial risk and would enhance and protect the facilities that received in excess of 30,000 visits each month.
- The recommendations included in the report were:
 - o An assurance that performance measures were agreed alongside the contract and that there would be

- associated financial consequences for any failure to meet expected standards of customer care and cleanliness.
- That negotiations should be taken to front-load the capital investment into the sports centres.
 - That any contract extension be made contingent upon an agreed phasing of revenue payments and capital spend with any failure to meet this agreement to be regarded as a breach of the contract.
 - Work would be undertaken to explore alternative arrangements for delivering the contract with reports being brought back to Cabinet as appropriate. To include:
 - The relative merits of contracting with a leisure operator, partnering with another authority/authorities and in-house/arms-length provision of the contract.
 - Options for reducing the carbon footprint of the Council's leisure centres.
 - Recommendations for future leisure provision taking account of the state of the market and projected future trends and the benefits of any linkages with voluntary and community sector organisations, parish and town councils, and with parks and educational settings.

RESOLVED –

1. That the views and reasons cited by the Overview and Scrutiny Committee be noted.
2. That the original decision made by Cabinet on 29 July 2021 in respect of the Sports Centre Management Contract be approved with immediate effect.

REASON FOR DECISION

To allow the continuation of sports provision across the Borough whilst maintaining a sustainable level of operation over the medium term.

NOTES:

The meeting concluded at 3.50 pm.

An audio recording of this meeting is available on the Tunbridge Wells Borough Council website.