

Appendix 5

Leisure Offer 2024

1.0 INTRODUCTION & BACKGROUND

- 1.1 The Leisure Management Contract was tendered in 2003 and was carried out as a continuing service which had been subject to Compulsory Competitive Tendering (CCT) from the early 1990's. It replaced a previous contract which had been in force since 1996.
- 1.2 The provision of leisure services is a discretionary service but within the contract there are various statutory obligations which need to be met which relate to the delivery of these services.
- 1.3 The Leisure Management Contract was awarded to GLL on a 15-year contract in 2004, which originally included the management of the following leisure centres:
- John Orwell Leisure Centre
 - Langdon Park Leisure Centre * (Closed in 2011 to make savings)
 - Mile End Park Leisure Centre
 - St. George's Leisure Centre
 - Tiller Leisure Centre
 - York Hall Leisure Centre
 - Whitechapel Sports Centre
- 1.4 Langdon Park Leisure Centre, a dual use school community leisure facility, was closed in 2011 due to the need to make savings from the leisure management contract. The additional management fee required for the PFI contract, coupled with the management fee paid to GLL at the time, made the centre uneconomical to operate and it was eventually closed to make savings in the leisure contract.
- 1.5 The contract operated a deficit for the first five years but went into surplus from year 6, which offered additional investment in leisure capital and revenue projects funded via the surplus share mechanism of the contract, which allowed for 50% of any surplus gained to be reinvested back into the service. This mechanism has funded a variety of capital projects and revenue programmes including the refurbishment of St. George's Leisure Centre in 2010-11 and Free Swim Friday for Tower Hamlets residents, Free swim Saturday for families, over 60's off peak swimming for £1 etc. Now that the contract is no longer in significant surplus, and GLL has a commitment to pay back the Council the £774k management fee agreed by Cabinet in 2020 to support the safe and viable reopening of the leisure centres, how these programmes will be re-introduced as part of the covid recovery will need to be determined.

2. OVERVIEW OF THE CURRENT LEISURE CONTRACT OFFER

- 2.1 The current leisure management contract offers a core programme that concentrates on adult fitness / swimming direct debit memberships, events and outdoor pitch bookings for income generation. However, concessionary memberships (which significantly reduce costs for users) are available to people on benefits to provide affordable access to leisure centre provision.
- 2.2 Pre-Covid-19 there were a number of subsidised and free programmes that were funded by the contract surplus share development pot that enabled 50% of the operational financial surplus to be reinvested back in the service for either capital developments or revenue programmes. Community activities delivered by the surplus included Free Swim Fridays for Tower Hamlets Residents, Free Swim Saturday for families, subsidised off peak 60+ swimming, Women-only swimming, Kids Swim for a Quid and U.16's free swim before 10am during school holidays.
- 2.3 However, targeted community engagement provision, particularly for under-represented groups such as women and girls, SEND, older people, etc., were mainly delivered by the Council's Sport & Physical Activity Service. Examples of this provision included free inter-generational family events in Parks and open spaces, free SEND swimming, free disability equipment hire (e.g. sport wheelchairs, adapted sports equipment), free women only activities, inter-borough competitions, free leisure centre training time for London Youth Games and School games. However, the need to make significant savings have resulted in the service no longer being able to deliver such provision directly and community provision of this type needs to be provided by other means in the future. It is being proposed that this type of community provision is conducted via the leisure operator, not only in leisure centres but also in community settings, as part of the LMC. However, it should be noted that there is a considerable cost to this type of activity, which is usually a loss-leader and operators may be risk averse to this type of activity in a market still recovering from the significant impact of Covid-19 and more recently, the energy crisis, which has created significant utility cost budget pressures.

3. THE VISION FOR THE LEISURE MANAGEMENT CONTRACT (LMC) 2024

- 3.1 The Tower Hamlets Local Plan 2031: Managing Growth and Sharing Benefits was adopted by Full Council on 15 January 2020. There is a suite of three strategy documents relating to leisure provision that inform the Local Plan: The Indoor Sports Facilities Strategy, The Open Spaces Strategy (including playing pitch needs assessment) and The Physical Activity & Sport Strategy (PASS) provide the vision and future direction of sport and leisure provision in the borough. It should also be noted that the cross-cutting nature of sport & physical activity means it also plays a significant role in delivering several Council objectives via other strategic documents such as the Transport Strategy & Health & Wellbeing Strategy.

- 3.2 The Physical Activity & Sport Strategy was approved by Cabinet on 18 December 2019. The vision of this document was to enable
- “Local people to live, healthier, happier lives by being more active and engaging with sport in the borough. We want every person in Tower Hamlets to feel that there are sport and physical activity opportunities available locally that work for them and they are supported to get involved in”
- 3.3 The proposed vision for the future leisure offer aligns with this overarching ambition which is to:
- “Enable and support local people to live healthier and physically active lives using leisure centres that provide affordable and accessible programmes, activities and events for under-represented groups that would benefit most from being physically active”**
- 3.4 The Marmot review, “Fair Society Healthy Lives,” stated that health inequalities result from social inequalities [which] require action across all social determinants of health. The review also stated that “to reduce the steepness of the social gradient in health, actions must be universal but with a scale that is proportionate to the level of disadvantage.” This is known as proportionate universalism.
- 3.5 The reimagining of the leisure management contract aims to focus on this concept by providing programmes, activities and events that focus on improving the health and wellbeing of Tower Hamlets residents identified as being the most inactive in the lowest socio-economic groups. This approach will assist in mitigating the borough’s health inequalities, creating a more physically active and healthier population, whilst ensuring the service provides a programme that meets the needs of the majority of residents and is financially viable.
- 3.6 A key element of the leisure offer is the provision of leisure facilities that create a positive customer experience thereby encouraging greater participation by residents.
- 3.7 Tower Hamlets is a wide and varied leisure landscape; it has more than 200 parks and open spaces of which more than 170 are publicly accessible and the majority are owned and managed by the council. Several of these parks include a variety of sports facilities (tennis and basketball courts, multi-use games areas, football and cricket pitches) that enhance leisure provision within the borough. For a detailed analysis of sports provision in parks please see the Open Spaces Strategy Playing Pitch Needs Assessment.
- 3.8 The borough has seven publicly owned leisure centres:
- John Orwell Sports Centre
 - Mile End Park Leisure Centre & Stadium
 - Poplar Baths Leisure Centre
 - St. George’s Leisure Centre
 - Tiller Leisure Centre

- York Hall Leisure Centre
- Whitechapel Sports Centre

- 3.9 In addition to the public leisure centres, the Indoor Sports Facilities audit identified an additional 34 health and fitness sites within the borough, including four dual use facilities and 19 commercially operated clubs with the remaining sites being exclusively for private use. However, following the national lockdowns over the last year, an audit will need to be conducted to determine the impact of Covid-19 on current and future health and fitness provision in the private sector.
- 3.10 According to Sport England modelling, the borough has a deficiency in sports halls, swimming pools and outdoor pitches. This deficiency in provision will continue to increase as the borough's population continues to grow. Whilst there is insufficient land to increase the number of leisure facilities to keep up with population growth, the Council and its partners, can work to improve the efficiency and effectiveness of the leisure network by increasing community access to school sports facilities and enhancing existing provision.
- 3.11 At present there are a number of schools that have limited community use of their sports facilities due to PFI agreements. An important factor for future consideration is that community access to school sports facilities needs to be secured through robust community use agreements as part of planning obligations when further proposals for new schools are brought forward. This access will assist in reducing the existing deficiency and provide additional spaces for physical activity in the borough.
- 3.12 Including physical activity as a part of everyday life to improve health and wellbeing is a key factor in driving health change and the Council's Transport Strategy addresses this issue via the use of walking and cycling for active travel. In a borough known for its high car usage and air pollution concerns, promoting and encouraging active travel is a simple and easy way to improve the health of local residents. For more information on active travel, cycling and walking please see that attached Transport Strategy.

4. STRATEGIC AIMS OF THE LEISURE CONTRACT

- 4.1 The following key strategic aims were identified for the leisure management contract when the strategy was last revised:
- A contract that meets the strategic aims of the Council
 - A leisure contract that operates with a robust financial position, aligning services to increase the physical activity levels of those residents that would benefit most doing so.
 - A contract that is public health outcomes focused, with a holistic approach across the borough that is not specific to health interventions.

- A contract that ensures leisure centres are affordable and accessible to the residents that need them most.
- A contract that enables the refurbishment and redevelopment of the borough's leisure assets ensuring that they are best in class.

4.2 The reimagining of the leisure contract aims to provide a strategic focus that enables the co-ordination of similar services with the aim of improving the health of borough residents by decreasing physical inactivity levels. The current landscape operates with many services working in isolation when the pooling of resources and contributing to specific outcomes in a joined up, holistic way would yield better outcomes.

An opportunity exists to address the health improvement of residents at scale by integrating leisure centre provision with a wider community focus that addresses blockages to increased engagement, such as:

- Increased community use of school sites to provide local, affordable physical activities that complement leisure centre provision. The PFI contracts at many of the borough's secondary schools have prevented affordable community access these valuable assets and has been a major factor in preventing targeted community interventions to increase physical activity, not only in local areas, which do not have easy access to a leisure centre, but also wider under-represented community groups that are not comfortable using a leisure centre but would access opportunities in the familiar environment of a local school
- A more co-ordinated approach to physical activity commissioning with CCG colleagues, which could explore a more longer-term approach to physical activity interventions via the leisure management contract delivering programmes at scale.
- Better co-ordination of national campaigns such as the national child measurement programme with local interventions that address healthy weight / obesity in children
- Co-ordination of Council services such as Active Travel, Healthy Schools

These are just a few examples of where a holistic approach would deliver better outcomes. This approach will become more important as Council resources continue to diminish over time.

4.3 The high level of health inequalities in Tower Hamlets when compared to London and England averages is well known, so there is no need to go into detail here. However, what is clear is that physical inactivity is a major contributory factor in several underlying health conditions such as overweight/obesity, cardio-vascular disease and a plethora of other health conditions. The procurement of a new leisure contract is an ideal opportunity to tackle these issues head on, addressing some of the key factors that will improve the health & wellbeing of residents. This can be achieved by putting health improvement at the heart of the new leisure contract, which will be addressed later in this report.

4.4 The Physical Activity & Sport Strategy (PASS) was approved by Cabinet in December 2019 and articulates the strategic approach to the delivery of sport

& physical activity until 2024. The approach adopted in the strategy highlights four priority areas:

- 1) Developing Young Interest
- 2) Driving Health Change
- 3) Shaping Places & Communities
- 4) Physical Activity & Sport as a community engagement tool

4.5 The Council is under increasing financial pressure and non-statutory services, like Sport & Physical Activity are being squeezed with less resourcing (financial and human) available to deliver against the strategic aims of PASS. It is for this reason that the LMC has been placed front and centre as the key driver for delivering change against the borough's physical activity and sport agenda.

5. **DEVELOPING YOUNG INTEREST**

5.1 Developing Young Interest is priority 1 of PASS, that aims to deliver improved and enhanced physical activity outcomes for children & young people. The key outcomes of this priority are

- Children and young people are more physically active
- Children and young people feel the benefits of increased physical activity and sport
- Children & young people remain engaged with Sport and physical activity as they get older

5.2 The new contract can contribute to these outcomes by delivering a children & young people offer that encourages increased physical activity in younger residents. Examples of this programme could include:

- **An Active Schools Programme** – a programme that supports schools in getting pupils to be more active and support delivery of sport and physical activity related education, employment and training opportunities for young people. This could include provision of targeted activities for school age children at the borough's leisure centres, such as school competition and match play, a SEND programme of activities for special school students as well as dedicated twilight leisure centre time for young people. This may include a school based programme is community access to school facilities can be secured.
- **An Aquatics Programme** that encompasses a varied programme of water-based activities and sports for primary and secondary aged school children including school swimming lessons, a learn to swim school, a free / subsidised swimming offer (e.g. Young people swim for free during school holiday periods before 12 noon. Competition opportunities via inter-borough competitions, London Youth Games, School Games etc)
- **A Health & Wellbeing Programme** that provides health improvement programmes for young people at risk (see driving health change)

- **A concessionary pricing scheme** that targets young people in most need to access affordable sport & leisure activities and to improve their health & wellbeing (see Driving Health Change for more information)
- **A School Holiday Programme of Activities & Events for Young People** The leisure operator will deliver a school holiday programme that will enable young people to access affordable physical activity provision that annual Summer Programme which offers free activities including park-based events, sport focused initiatives and try new things
- **Subsidised facility access for Young People Programmes** – In addition to the concessionary pricing scheme, which make accessing the leisure centres more affordable for those individuals and families in receipt of benefits, the use of protected hours scheme (free leisure centres hours allocated to the Council's SPA service in the contract) provided by the Council's Sport & Physical could be used to facilitate specific young people projects in partnership with the third sector, health professionals and physical activity service providers.

6. DRIVING HEALTH CHANGE (especially in inactive residents, young people, older people and those with underlying health conditions)

- 6.1 Life expectancy in Tower Hamlets is in the bottom thirtieth in the country for both males and females and mirrors the level of social deprivation within the borough.
- 6.2 The borough has a lower proportion of older people. However, a greater number of older residents in Tower Hamlets have a long-term limiting illness than the national average.
- 6.3 More than a fifth of reception age children are obese with two-fifths of children considered overweight or obese by the end of primary school. The extent of childhood poverty is the most important determinant affecting the current and future health of the children and young people in Tower Hamlets. Furthermore, the covid-19 pandemic has created a mental health crisis amongst the nation's children and young people.
- 6.4 Through disproportionate impacts on major determinants of health such as employment, income, and housing, there is a risk of health inequalities increasing in Tower Hamlets.
- 6.5 The three major causes of premature death in Tower Hamlets (cancer, cardiovascular disease and chronic lung disease) are strongly linked to socioeconomic deprivation as well as gender and ethnicity but all of these conditions can be improved or prevented entirely with increased levels of physical activity.
- 6.6 There is strong scientific evidence that being physically active can help with leading a healthier and happier life. People who exercise regularly have a

lower risk of developing many long-term (chronic) conditions, such as heart disease, type 2 diabetes, stroke and some cancers. Regular exercise also reduces the risk of early death by up to 30%.

- 6.7 Considering the positive impact of exercise on the health of residents, the contract procurement offers an ideal opportunity to embed improved health outcomes as a key performance requirement of the contract. It is envisioned that leisure centre provision under the 2024 leisure contract will target physical activity provision towards audiences that will benefit most from increasing physical activity levels to improve the health and wellbeing of service users. This approach would see the leisure operator being a key partner in delivering public health messages, supporting public health campaigns as well as providing physical activity programmes to encourage healthy lifestyles.
- 6.8 Consequently, it is being proposed that a public health outcomes framework (PHOF) will be an integral part of the performance management framework of the leisure contract. This framework will include a variety of key performance indicators against which the operator's performance will be measured. Consultation with Public Health & the health sector colleagues is currently taking place and feedback from these sessions will be incorporated within the updated briefing note. Examples of performance indicators for the outcomes framework could include addressing the following:
- 1) Child excess weight in 4-5- and 10–11-year-olds
 - 2) Children aged 5-16 years are sufficiently active for good health
 - 3) Excess weight in adults
 - 4) Physically active and inactive adults
 - 5) Self-reported wellbeing
- 6.9 The PHOF will deliver against 2 areas: a) improving wider determinants of health and b) Health improvement. The following programmes are examples of workstreams that could deliver against these outcomes.
- **Healthy Weight Management Provision (Young People & Adults)** The leisure operator will be expected to deliver a suite of health improvement programmes as part of its core offer. This programme may include healthy weight management programmes for children, young people and adults, such as Mind, Exercise, Nutrition (MEND) an education intervention designed to manage overweight and obesity in children aged 2-13 years and their families by improving health, fitness and self-esteem. Additional programmes may include nutrition workshops, food provision (as part of a borough-wide programme to feed children & young people in receipt of free school meals and those most in need).
 - **Children & Young People Offer** – An extensive and robust children and young people offer should be included within the new contract service specification. This may include dedicated leisure centre twilight time for children and young people, a holiday programme that will enable young people to access affordable, high quality physical activity provision, with a particular emphasis on a large-scale Summer Programme, in partnership

with the Council and the third sector, which offers subsidised and free activities including park based events, sport focused initiatives, family / inter-general activities coupled with nutritious meals for those children on free school meals.

- **Physical Activity Referral Programme (including social prescribing)** - A programme of physical activity targeted at non-traditional leisure audiences that are inactive and or have underlying health conditions. Participants to the programme can be referred via a partnership network of social prescribers, GPs and other health professionals, schools, parents/ guardians or via self-referral. Examples of activities in the programme could include cycling / spinning, walking / jogging and running, swimming, badminton, tennis, fitness classes.
- **Falls Prevention** - a programme of activities designed to improve the strength, flexibility and co-ordination of older people, 65 years plus, that reduces the risk of serious injuries such as broken hips from falls.

7. SHAPING PLACES & COMMUNITIES

- 7.1 This PASS priority should focus on the leisure operator improving the leisure centres as assets, encouraging greater access to the centres by non-traditional audiences. Furthermore, there is an opportunity for the operator to use its position in the community to assist, encourage and promote healthy and active travel choices and making physical activity an integral part of daily life for all. (This can be done through providing information, guidance and insight at health & wellbeing hubs located in the centres and staffed by Operator Health Champions)

8. PHYSICAL ACTIVITY & SPORT AS A COMMUNITY ENGAGEMENT TOOL

- 8.1 Using sport and physical activity as an engagement tool aims to achieve three outcomes:
- People appreciate that participation in physical activity and sport is open to all communities
 - People feel the benefits from major sporting events held in and around the borough
 - People feel part of a vibrant, inclusive community
- 8.2 It is expected that the operator will work in partnership with the Council, other statutory bodies, the third sector and other sport and health service providers, to not only provide inclusive physical activity opportunities for all the community, but also to be an active leader in encouraging community cohesion and using physical activity as a means of engaging with non-traditional leisure centre audiences, in community spaces if necessary.

9. LEISURE GUARANTEE

9.1 The Indicative service provision highlighted in this report could be articulated in a '**Leisure Guarantee**' that indicates the minimum level of service residents can expect from their leisure centres, including:

- **A Leisure Card for all residents** – to connect a variety of public services such as leisure centres, idea stores, community physical activity and sport provision and enable subsidised or free membership of the borough's leisure centres (depending on personal circumstances). This card would enable a participation based **Incentivisation Scheme** which rewards increasing levels of physical activity / engagement by using innovative digital solutions to drive health change. Incentives may include a free day pass for a leisure centre, or free activity sessions by the operator or other incentives provide by partners in the scheme (e.g. local suppliers / businesses) GLL has proposed the introduction within the current contract term and this will provide an ideal opportunity to pilot and test this concept, which has been successfully delivered within the London Borough of Barnet as part of its leisure contract procurement several years ago.
- **A Comprehensive Children & Young People Offer** (Outlined in section 5 above).
- **A comprehensive health improvement focused programme aimed at residents most likely to benefit from health interventions** (Outlined in section 6 above)
- **A comprehensive programme of interventions identified by an evidence base to address specific Council outcomes** (subject to further development)

The detail associated with each of these guarantees can be determined following consultation and finessed as part of a wider marketing and communications piece.