

Report to: Executive
Date: 25 May 2007
Report of: Executive Member for Social Inclusion and Culture
Subject: Leisure Centres Catering Services Concession Agreement
Ward: All

1.0 Purpose of Report

- 1.1 The purpose of the report is to inform the Executive of an agreement made by Leisure Connection to operate the bars and catering facilities at Peterlee and Seaham Leisure Centres under a concession arrangement.

2.0 Consultation

- 2.1 In preparing this report I have consulted with the Management Team, Executive Member for Social Inclusion and Culture, Director of Community Services, Councils Monitoring Officer and the Asset and Property Manager

3.0 Background

- 3.1 The Council have entered into a ten year agreement with Leisure Connection limited to operate and manage Peterlee and Seaham leisure Centres
- 3.2 Leisure Connection Limited have informed the Council that they have conducted a company wide review of its catering services provided within its business. The aim of the strategic review was to examine ways in which the provision of bars and catering across all sites can be improved, meet customer and client expectations and attract investment.

4.0 Position Statement and Option Appraisal

- 4.1 As a result of the review and in order to meet its aims the company has decided to develop a strategic partnership with a specialist catering company called The Crown Group to deliver the bars/catering functions within its contracts. The Crown Group have over thirty years experience in the events, catering and hospitality industry and current clients include Manchester GMEX and Harrogate International Convention Centres, Tottenham Hotspur and Birmingham City Football Clubs and many others.
- 4.2 As a result of the strategic partnership Leisure Connection have formed a new division within its business called "Leisureextra". The new division will use its expertise to manage the bars and catering functions, develop opportunities for growth and investment together with improving service delivery at all sites. There are currently two permanent and a number of casual staff employed by Leisure Connection working in bars and catering who will be TUPE transferred to Leisureextra. Leisure Connection have consulted with the trade unions and staff on these proposed changes.
- 4.3 Leisure Connection have approached to Council to seek consent for the company to introduce the Leisureextra brand into the Easington contract. Leisure Connection through Leisureextra intends to actively promote the bars and catering facilities at both centres. This includes seeking to attract regional events/conferences,

promoting healthy snacks as well as introducing a reception/ café facility initially at Peterlee Leisure Centre. The company is confident that with the bar/catering expertise provided by The Crown Group significant improvements can be made to the services provided at both Peterlee and Seaham Leisure Centres.

4.4 Under the terms of the Councils Management Agreement with Leisure Connection the company is allowed to enter into sub contacting arrangements for the provision of services with the consent of the Council, consent from the Council which cannot be unreasonably withheld or delayed. In terms of this arrangement proposed by Leisure Connection the Council have sought to ensure that as part of the service provided there will always be a range of healthy snacks available for sale at the centres. This has been agreed by the company and included in the agreement

4.5 The Monitoring Officer advises that legally there is no reason why consent should not be given to Leisure Connection to operate the Leisureextra brand as indicated and that it is in line with the contractual arrangements between the Council and the company.

5 Factors Affecting Service Delivery

5.1 There are no factors affecting Service Delivery

6 Implications

6.1 Financial

There are no financial implications arising out of the report

5.2 Legal

The Monitoring Officer advises that consent should normally be given to Leisure Connection to introduce Leisureextra into the leisure Centres and that it is in line with the contractual arrangements between the Council and the company.

5.3 Policy

There are no policy implications arising out of the report

5.4 Risk

A risk assessment has been carried out and actions to manage the risks have been implemented.

5.5 Communications

There are no communication implications arising out of the report

6.0 Corporate Implications

6.1 Corporate Plan and Priorities

Introducing Leisureextra into the leisure centres will help meet the council's objective of providing "Quality Services for our people"

6.2 Equality and Diversity

There are no equality and diversity issues arising out of this report.

6.3 E-Government

There are no E-government implications arising out of this report.

6.4 Procurement

There are no procurement implications arising out of this report.

7.0 Recommendations

- 7.1 Members are asked to note the contents of this report and endorse the actions of the Management team in agreeing to Leisure Connection request to operate the bars and catering service provided at Peterlee and Seaham leisure centres under a catering concession arrangement.

Background Papers

Leisure Connection Management Agreement