

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
27 November 2012

From: Scrutiny Committee 1

Subject: POLICY REVIEW – LEISURE CENTRES – FINAL REPORT

All Wards

1.0 SUMMARY:

1.1 Between June and October 2012 the Committee undertook a review of Leisure Centres. This report sets out the Committee's findings, conclusions and recommendations.

2.0 INTRODUCTION:

2.1 Leisure Centres was regarded as an appropriate topic for review as the costs of the service are significant.

2.2 The Committee as a whole undertook the review and the term of reference was:-

- To review the Operation and Sustainability of the Council's Leisure Centres

2.3 The following evidence, arranged through the Enabling Officer, was provided at meetings of the Committee:

19 June 2012

- Agreed Project Plan

4 September 2012

- Evidence gathering

31 July 2012

- Evidence gathering

2 October 2012

- Evidence gathering and concluded review

3.0 OTHER EVIDENCE

3.1 The following witnesses attended meetings of the committee to give evidence:

- Dave Goodwin, Director of Leisure and Health;
- David Ashbridge, Business and Operations Manager;
- Leanne Dunning, Marketing Manager;
- Mike Readman, Manager of Stokesley Leisure Centre;
- Councillor P R Wilkinson, Cabinet Portfolio Holder for Leisure and Health.

4.0 FINDINGS

4.1 The term of reference of the review was aimed at answering the following key questions:

- What is the current policy of the Council and why is this so?
- Who is the policy aimed at, who is intended to benefit and how is this measured?
- What is central to the delivery of the policy (resources, stakeholder involvement, etc)?
- Is the current policy working (is it delivering the stated outcomes and do the recipients benefit)?

- Does the policy need to change – is it still valid?
- Can the policy and the service be improved – if so how?
- What impact will the policy have on other partners?

4.2 Based on the written and oral evidence presented, the Committee's findings were as follows:

4.2.1 The Committee examined the operation of the Councils Leisure Centres and established that the Centres were generally performing well compared with the commercial sector in terms of usage and income, given their population base and profile and therefore accepted that the operation of the four Leisure Centres was sound.

4.2.2 The Committee considered the capital programme for the current year and the progress against each item identified together with the approved programme for the next 10 years. Each item was identified to either, reduce operational expenditure; increase income or maintain and sustain current levels of income. The purpose of which was to try to achieve a neutral operational cost or even a profitable position for the operation of the Council's four Leisure Centres, whilst at the same time providing an excellent service to residents. The Committee considered the schedule of usage; costs and income which informed the subsidy per visit figure and showed that the Council managed facilities were collectively costing £6,600 per annum with a subsidy per visit of £0.01. The Committee appreciated that it was difficult to forecast long-term income projections as there were a number of factors that would affect income. On average, in the last 5 years Leisure Centre income had increased by 4% year on year; if this pattern continued by 2016-17 the annual income from Leisure Centres would be approximately £3,700,000, this will be £670,000 more than what was achieved in 2011/12. However income variables made it difficult to predict with any accuracy what income levels would be in 10 years time. The Committee therefore suggested that operational running costs of the Council managed Leisure Centres be driven down by reducing expenditure, and increasing income, to a point which created an overall profit.

4.2.3 The Committee established that it already operated more facilities than other similar authorities and in particular others in North Yorkshire and therefore suggested that Hambleton's facilities base should be consolidated and improved rather than expanded further.

4.2.4 The Committee determined that in an effort to continuously improve, steps were taken to obtain an experienced commercial leisure experts view on how the Council could generate more usage and income from the leisure centres assets already held. The brief to the commercial sector included pricing; sales and retail; catering; commercial sponsorship and assessment of activity programming while specifying the need to be specific about Hambleton's unique market rather than simply importing ideas which might have worked elsewhere in very heavily populated urban areas. The Committee was also aware of ICT problems and appreciated how frustrating such issues could be particularly when introducing on-line bookings and payments. The Committee therefore suggested that the resulting action plan entitled "Sweating our Assets" should be implemented with particular emphasis on improving ICT.

4.2.5 The Committee established that it was estimated that the population of Hambleton would grow 7.5% by 2026 leading to an increased demand for leisure facilities. LDF plans for residential developments in and around Bedale, Thirsk and Northallerton could potentially give rise to between 5,000 – 6,000 new homes, some of which had already received planning permission. The Committee heard of proposals to deliver new facilities and services for the communities in Thirsk/Sowerby and North Northallerton by establishing new not for profit management organisations to sustain them and Members were happy to support this suggestion.

- 4.2.6 The Committee considered that the recommendations it made should be subject to review annually and that a fundamental review should be undertaken in five years time and being mindful of the Council's overall financial position consideration could be given to pursuing more radical options of converting or closing poorer performing facilities; a change in management method or community asset transfer of facilities.

CONCLUSIONS:

- 5.1 What is the current policy/practice/procedure of the Council and why is this so?

The current operation of the Leisure Centres was considered to be sound as Health is a Council priority.

- 5.2 Who is the policy/practice/procedure aimed at, who is intended to benefit and how is this measured?

The operation of the Leisure Centres is aimed at providing an excellent service to residents and the main performance measure is the number of people participating in sport and active recreation.

- 5.3 What is central to the delivery of the policy/practice/procedure (resources, stakeholder involvement, etc)?

Resources and the ability to generate income are central to delivering a leisure facility.

- 5.4 Is the current policy/practice/procedure working (is it delivering the stated outcomes and do the recipients benefit)?

Customer feedback shows a high level of overall satisfaction amongst both users and residents generally together with evidence of good value for money.

- 5.5 Does the policy/practice/procedure need to change – is it still valid?

The operation of the Leisure Centre is sound but like any service is subject to regular review.

- 5.6 Can the policy/practice/procedure and the service be improved – if so how?

The Leisure Centres currently provide good value for money and have obtained excellent ratings in independent assessments and this is used to drive continuous improvement.

- 5.7 What impact will the policy have on other partners?

The Council has direct partnerships with secondary schools and the Local Education Authority in relation to operating Leisure Centres.

6.0 RECOMMENDATIONS:

- 6.1 To recommend to Cabinet that:-

- (1) operational running costs of the Council managed Leisure Centres be driven down by reducing expenditure, and increasing income, to a point which creates an overall profit;
- (2) the facilities that Hambleton has be consolidated and improved rather than expanded further;

- (3) the "Sweating our Assets" Action Plan be implemented with particular emphasis on improving ICT:
- (4) new facilities and services for the communities in Thirsk/Sowerby and North Northallerton be delivered by establishing new not for profit management organisations to sustain them;
- (5) the above recommendations be reviewed each year with a fundamental review in 5 years' time and in light of the Council's overall financial position consideration be given to the need to pursue more radical options such as:-
 - Conversion of poorer performing facilities (or cost centres);
 - Closure of poorer performing facilities (or cost centres);
 - Change of management method;
 - Community Asset Transfer of facilities.

COUNCILLOR N A KNAPTON
CHAIRMAN

Background Papers: None
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SCRUTINY COMMITTEE 1

MEMORANDUM OF EVIDENCE

POLICY REVIEW – LEISURE CENTRES

Evidence from Dave Goodwin, Director of Leisure and Health and David Ashbridge, Business and Operations Manager

Background and context to the operation of Leisure Centres

A broad background to the operation of the Leisure Centres in Hambleton was presented in order to provide the Scrutiny Committee with the context for examining in detail any particular aspects of its operation.

Scope

The scope covers the Leisure Centres operated and managed by Hambleton District Council.

Members need to be aware of the different origins of each of the facilities which dictate in part the way that they operate (under formal legal agreements):-

- | | |
|-----------------------------------|---|
| Stokesley Leisure Centre | - Dual use arrangements with North Yorkshire County Council and Stokesley School Governing Body. (Hambleton District Council responsible for all facilities except the sports hall which is the School's to manage. Sharing of use between education and community). No money exchanged. |
| Hambleton Leisure Centre | - Joint use arrangements with North Yorkshire County Council and Allertonshire School Governing Body. (Hambleton District Council responsible for all aspects of management, North Yorkshire County Council pays approximately £60,000 per annum for use of sports hall, swimming pool and floodlit pitch). |
| Bedale Leisure Centre | - Both joint provision and dual use arrangements with North Yorkshire County Council and Bedale High School. (Hambleton District Council responsible for all facilities except the sports hall which is the School's to manage. Sharing of use between education and community). No money exchanged. |
| Thirsk and Sowerby Leisure Centre | - Run under the Thirsk and Sowerby Swimming Baths Charity which provides NNDR and VAT savings. Operated under Charity Commission guidelines. |
| Thirsk All Weather Pitch | - Joint use arrangements with North Yorkshire County Council and Thirsk Secondary School Governing Body. (Exclusively School use during school day-time hours). No money exchanged. |

Expenditure / Income / Net Costs of the Service

The Council's main performance measure in Leisure Services is the number of people participating in sport and active recreation. This is then used to help calculate the subsidy per head to provide a measure of performance.

An update on net expenditure, income and subsidy per head is attached at Annex A.

The national average cost of subsidy per visit rate is £1.50. This could be affected by three things; the facility mix with swimming pools being very expensive and gym facilities inexpensive; catchment population and competition with catchment population.

Performance

Annual usage figures for each site are included in Annex A.

Customer Satisfaction / Resident Satisfaction

Details on both customer and resident satisfaction levels are attached at Annex B. An overview of our customer feedback system is attached at Annex C.

External Accreditations

The Council has used 'QUEST' which is Sport England's independent assessment of both public and commercially operated facilities across the UK. This is used mainly to drive continuous improvement.

This involves mystery visits and a 3 day analysis of customer care, systems, health and safety, programming etc.

The latest scores are:-

	%	Grade
Stokesley Leisure Centre	84%	Excellent
Thirsk and Sowerby Leisure Centre	83%	Excellent
Hambleton Leisure Centre	87%	Excellent
Bedale Leisure Centre	84%	Excellent

The grading process for QUEST has changed in 2012; in future there will be no percentage score just a bad, good or excellent rating. This was disappointing as the score rating encouraged healthy competition between leisure centres and at a cost of £4,000 a year continuing with the process may require further consideration.

Comparisons with both local trusts and the private sector are included in Annex B.

Other Alternative Methods of Delivery

Although comparatively the Leisure Centres currently provide good value for money, the Council has challenged itself over the years to find ways of improving further.

The introduction of ISO 9002 a continuous improvement scheme has embedded a systematic way of dealing with various procedures whether they be for health and safety reasons, customer care etc.

We have often opened ourselves up to external challenge (peer reviews, QUEST, various inspection regimes).

The Council has also explored alternative forms of delivering the services and has twice exposed itself to external competition with the private sector for the delivery of Leisure Centre services (the first time there were no bids from the commercial sector, the second time the Council's in-house bid won both financially and on quality).

More recently the Council established a project team to explore transferring the management of the Leisure Centres into a Trust. The conclusion of this work was that whilst it may have had advantages to the Leisure Service it was not in the wider interests of the Council as a whole, and that it could possibly be explored again in the future after:-

- Income had been increased (in progress);
- The Hambleton Forum was subject to a community asset transfer (in progress);
- The Thirsk All Weather Pitch was subject to a community asset transfer (in progress but not likely to happen for 18 months).

In the current year the Council has commissioned an independent report from experts in the private sector for Leisure. This report has recently been received and provides an analysis of our strengths and weaknesses whilst making suggestions on how we could be more commercial in our operations. This will be shared with the Scrutiny Committee.

With approximately 400 swimming pools in the country it appeared that Hambleton did well to have four. The Committee heard that the District Council had invested in these facilities and all were in good condition; officers had been allowed to operate them in a fairly commercial way and as rural areas were unable to sustain facilities purely for public use dual and joint arrangements had been utilised; these factors all combined to ensure good value for money from the four centres.

The Committee was advised that Bedale Leisure Centre was built with lottery funding on the basis of usage by the RAF which was not as high as anticipated. Community funding of £60,000 was also provided.

The Committee questioned why customer satisfaction at Thirsk and Sowerby Leisure Centre was lower than at other centres and was informed that shower facilities and the age of the facility had an impact on customer satisfaction; further investigation was underway to identify any other issues.

The Committee asked how the importance of Customer Care was established and heard that all employees received Customer Care training. An excellent Customer Care package had been purchased which monitored performance and identified areas which required improvement. Health and Safety was acknowledged as the most important issue for staff followed closely by Customer Care, which was why the Council invested in its employees in this respect. This in turn contributed to the high levels of customer satisfaction and the £2.7 million income generated each year.

The Committee asked if the Council actively sought new initiatives and was advised that both the Marketing Manager and the Health and Fitness Manager worked with other leisure providers to identify good practice via IMPSA (an industry lead body). Future improvements were considered and unprofitable sessions were removed in order to establish an extensive fitness timetable which was profitable.

The Committee asked if the Council held any gymnastics classes and heard that gymnastic classes were held on Saturday and Sunday mornings and the Council worked closely with semi professional gymnastics clubs to provide exit routes for talented young performers. An example of gymnastics success was a young girl from Aiskew who attended gym classes at Hambleton Leisure Centre then advanced to a club at Bedale Leisure Centre and when the Council could no longer accommodate her level of talent, she was passed to a specialist club at Newton Aycliffe; she then went on to be included in the Great Britain Team.

The Committee questioned whether the Catterick Garrison Leisure Centre opening had had an impact on the leisure facilities at Richmond and heard that it had in terms of visitor numbers.

The Committee considered that the QUEST grading process was still important even without the percentage score rating, and should still be utilised.

The Committee acknowledged that the cost figures provided did not include all central services costs, such as some senior officers and services such as IT, and questioned how these would be taken into account when tendering with the private sector. The Committee was advised that when tendering with the private sector it would be like for like.

The Committee questioned what sort of impact would a price increase have on services and heard that there was concern that customers would be put off when a 10% increase was proposed last year which coincided with the return to 17.5% VAT; resources were then put into additional marketing, promotion and publicity. Price increases were no longer a concern as they were to be dealt with by service officers in conjunction with the relevant Cabinet Portfolio Holder to fit in with the Councils overall budget.

The Committee asked if leisure centre usage pre and post the Olympics would be monitored to assess the effect and was advised that such monitoring would be undertaken.

Evidence from Mike Readman, Manager of Stokesley Leisure Centre; Leanne Dunning, Marketing Manager and David Ashbridge, Business and Operations Manager. Dave Goodwin, Director of Leisure and Health Services also attending the meeting to provide additional information.

Mr Readman presented the Leisure Centres Business Plan for 2012/13 attached at Annex D

The Committee questioned how many Leisure Centre users identified in the survey lived within Hambleton and was informed that users were not requested to provide address details but they did supply the first three digits of their postcode; so Hambleton residents could be identified.

As unskilled manual people were identified as the lowest users of the Leisure Centres; the Committee asked what measures were in place to encourage such users. The Committee heard that the Council was not permitted to obtain specific address information about users therefore an area believed to house such a target audience would be mail dropped.

The Committee asked how Hambleton usage figures compared to the national average and heard that Hambleton users were compared to the demographics of the district rather than a national average. Hambleton had a higher number of older residents, with teenagers only making up around 15% of the population; however usage figures for teenagers was about 17%. One group not reflecting the make-up of the district was the over 50's; with around 23% of the district and only 16% usage 3 years ago; this had today risen to 19% following a marketing exercise.

The Committee was concerned that cost could be prohibiting older people but acknowledged that income had to be generated and this was done through Fees and Charges which the Council set.

The Committee questioned whether the ICT issues had caused many problems and heard that such issues could be frustrating but were being addressed and would improve in the future.

The Committee asked if there was a breakdown of usage by Centre and did it vary greatly and was advised that there was a breakdown by Centre and that usage did vary.

The Committee questioned the likely costs of capital maintenance in the future and heard that the Council had a plan which was agreed by Cabinet and was part of the 10 year Capital Programme.

For example a floodlit pitch had a 10 year life; therefore money had been allocated for the replacement every 10 years spread over the lifetime of the Capital Programme.

The Committee asked if the Council could look to commercial organisations to increase income; such as incorporating a coffee shop within the Leisure Centre. The Committee was informed that generating income through commercial catering had been considered and a cost benefit analysis undertaken; however at present the current vending facilities provided the best solution.

The Committee questioned whether the use of solar panels could be considered and was advised that the Design and Maintenance Team considered such options for the whole of the Council as part of the carbon reduction programme.

The Committee asked if more income could be generated from the promotion of sport in schools by NYCC but heard that funding had been removed from the school sports partnership budgets by the Government, so work with individual schools was being undertaken to respond to this.

Leaning Dunning presented a summary of the Marketing Plan attached at Annex E

The Committee questioned what was in place to encourage the use of leisure facilities at quiet times and was advised that reduced pricing was being promoted for swimming sessions at quiet times and this would be considered for other areas in the future.

The Committee asked if there was much competition from the private sector for leisure provision and heard that competition was more about people's time than cost of other providers. However the current recession, particularly the impact on the public sector, had had an effect as people might consider buying a bicycle or going jogging for exercise rather than spending money on gym membership.

The Committee asked what it cost the Council to run the Leisure Centres and heard that the estimated cost was currently £36,000; £29,000 of which was to provide a grant to the Galtres Centre at Easingwold. The net cost was therefore £7,000 and the objective was to reduce this to neutral and remain so.

David Ashbridge presented details of the recent commercial external assessment attached at Annex F.

The Committee asked if there was any suggestion from the consultants that there were too many Leisure Centres for the catchment area but heard that as all the Centres were performing to a benchmark it was considered worthwhile having the four.

Councillor Rooke had personal experience of swimming provision at Thirsk and considered that in the past the provision of certain classes was inadequate. It was acknowledged that about 12-18 months ago there wasn't enough swimming lesson provision for the area but this had since been addressed.

Additional evidence from Dave Goodwin, Director of Leisure and Health Services

Capital Programme

Attached at Annex G is the capital programme for the current year with progress against each item identified. Whilst at Annex H is the approved programme for the next 10 years.

At Annex I is a scheduled series of improvements which arose from the commercial report presented to the Committee at its last meeting. Some of these improvements require additional capital not yet approved, and will be the subject of a future Cabinet report once exploratory work has been completed.

Each of these items is identified to either:-

- Reduce operational expenditure;
- Increase income;
- Maintain and sustain current levels of income.

The purpose of this is to try to achieve a neutral operational cost or even a profitable position for the operation of the Council's 4 Leisure Centres, whilst at the same time providing an excellent service to residents.

Resubmitted at Annex J is the schedule of usage, costs and income which informs the subsidy per visit figure.

This shows that the Council managed facilities are collectively costing £6,600 per annum with a subsidy per visit of £0.01.

Income Projections

It is difficult to forecast long-term income projections as there are a number of factors that will affect income:-

- It is estimated that the population of Hambleton will grow 7.5% by 2026 – leading to an increased demand for leisure facilities. LDF plans for residential developments in and around Bedale, Thirsk and Northallerton could potentially give rise to between 5,000 – 6,000 new homes. Some of these have already received planning permission;
- A continuation of the economic downturn resulting in residents having less disposable income;
- Lack of investment into facilities and increased competition from the private leisure sector could lead to customer migration;
- The customer base in relation to each Centre's catchment population is higher than the industry benchmark – with continued saturation of the market, future latent demand potential will be reduced.

On average, in the last 5 years Leisure Centre income has increased by 4% year on year. If this pattern continued by 2016-17 the annual income from Leisure Centres would be approximately £3,700,000, this is £670,000 more than what was achieved in 2011/12.

These income variables make it difficult to predict with any accuracy what income levels will be in 10 years time.

However, income projections should not be looked at in isolation, and it is not possible to accurately predict how expenditure may increase over the next 10 years. The key variables here could be:-

- inflation rates;
- staff salary/wages increases;
- energy bills.

These variables make it impossible to accurately predict what the net cost of operating the Leisure Centres will be in the long term future. However, the aim is to achieve either a neutral cost or an operating profit.

Cost Per Head Projections

With the population of the district due to increase, and assuming we can continue with our current level of market penetration it is reasonable to assume that usage will increase. However, the economy and competition will affect this. The aim will be to achieve a zero cost per head or to strive for each customer creating a profit per head positive contribution.

Summary

Set out at Annex K is a proposal for drawing all this together in the form of a headline strategic approach (strategic in the context of big picture over long time horizon) to the future of leisure centre management in Hambleton.

Conclusion

The Scrutiny Committee has:-

- i) Examined the operation of the Leisure Centres and found them to be sound; and
- ii) A proposal for a strategic sustainability plan for its consideration at Annex K.

The Committee questioned what the payback period was for the combined heat and power units and was informed approximately 4 – 6 years.

The Committee asked if alternatives to tiles at Leisure Centres had been considered and heard that alternatives had been tested in small areas, but the operational feedback was poor.

The Committee asked if there had been any progress on the launch of the new booking system but was advised that the September launch had been put back; none of the Council systems accepted Visa Debit Cards therefore this was an issue for the whole Council. The Committee heard that Cabinet were investigating the systems in all Council areas and Justin Ives the newly appointed Director of Resources would be undertaking a review of IT.

Members suggested that IT should be sorted as a priority.

The Committee asked if the possibility of incorporating a Costa Coffee facility in the Leisure Centres would generate additional income, but heard that it had been established that this type of coffee provision, as incorporated in petrol stations, generated 80% profit for Costa and 20% for the provider therefore the current Nescafe coffee facility installed at Stokesley Leisure Centre provided a greater income with a 50:50 split in profits. Canned Drinks machines were maintained by staff but other drinks machines were maintained by the company. The consultants also confirmed that the provision of a café would not be profitable as there was not enough through put nor were the centres big enough to accommodate such a facility.

Members therefore agreed that the café suggestion should be disregarded

As the estimated population of Hambleton grew and therefore demand for leisure facilities increased, the Committee asked how this would be addressed. Consultants indicated that Bedale Leisure Centre would have capacity to increase usage and as properties became inhabited the occupants were provided with an information pack and it was anticipated that each pack would include one month's free family membership to a leisure centre.

Hambleton District Council**ANNEX A****Subsidy Per Visit Comparisons against Sport and Recreation 2011/12**

	Visitors	Operating Costs	Salaries	Income	Net Cost	Subsidy Per Visit Rate
Bedale LC	127,051	£197,030	£340,020	£485,410	-£47,680	-£0.38
Hambleton LC	338,602	£391,700	£583,340	£1,024,840	£49,800	£0.15
Stokesley LC	270,151	£291,250	£496,100	£883,650	£96,300	£0.36
Thirsk & Sowerby LC	165,448	£244,980	£320,580	£626,880	£61,320	£0.37
Thirsk & Sowerby AWP	15,400	£25,230	£9,140	£31,440	-£2,930	-£0.19
Galtres Centre	67,400	£29,110	£0	£0	-£29,110	-£0.43
Leisure Centre Central Costs	N/A	£49,940	£99,540	£0	-£148,980	N/A
Total	1,041,921	£1,147,530	£1,619,120	£2,762,390	-£21,280	-£0.02

Notes:

1. Users based on those participating in sport and physical activity
2. Expenditure covers all revenue expenditure (including NNDR but excluding central administration costs)

Customer Satisfaction

ANNEX B

We undertake a range of consultations and research with customers, including annual user surveys. In two key areas our leisure centre customers have the following views (information from 2012 User Surveys):

	% of Customers that think the Centre offer value for money overall	Centre overall - % who are very/fairly satisfied
Bedale Leisure Centre	68.2%	97.9%
Hambleton Leisure Centre	72.1%	96.5%
Stokesley Leisure Centre	68.6%	93.5%
Thirsk & Sowerby Leisure Centre	61.5%	93.5%
All Centres average	67.6%	95.4%

Active People Survey 2009/10

Sport England undertook research of 363,000 people in England with regards to their health and physical activity lifestyles. This included at least 1,000 respondents from each local authority. Generally Hambleton residents performed very positively in relation to regional and national comparisons. The key results included:

	Hambleton	Yorkshire average	National average
Regular participation (3 x 30 mins...)	26.9%	22.9%	22.3%
Sports volunteers 1 hour+ per week	4.6%	5.5%	4.8%
Club membership	23.6%	22%	24.2%
Coach/instruction	20.2%	16.1%	17.7%
Competitive sport	18.3%	14.7%	15.0%
Satisfaction with provision	80.6%	69.1%	69.6%

Report:	Scrutiny Committee
From:	Leanne Dunning (Marketing Manager)

1.0 Purpose of Report:

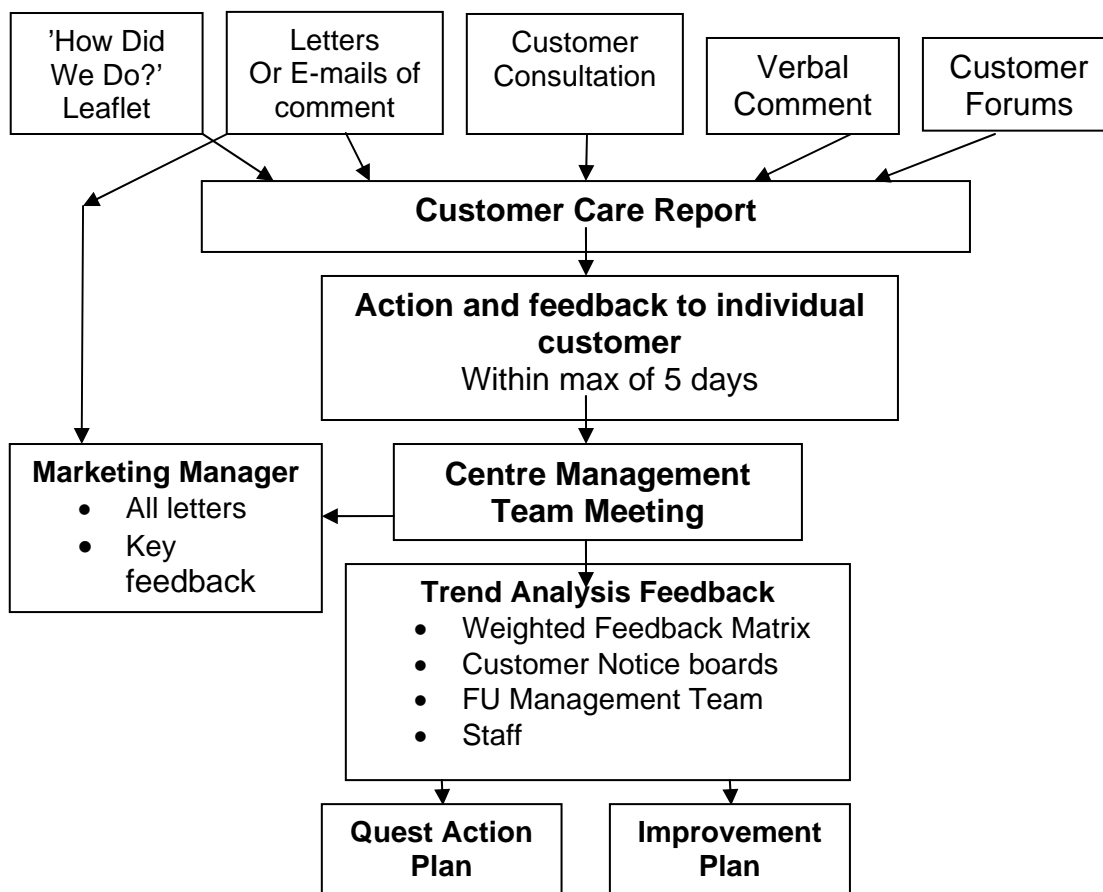
Customer Feedback

Any comments, suggestion or feedback in general given to staff is listened to and acted upon. Feedback is used pro-actively on a day-to-day basis, and also to feed into longer term improvement plans.

Feedback is ongoing through the methods identified below, or more thoroughly and strategically through the annual user surveys.

Customer Care Trend Analysis

Customer Care Trend Analysis is based on the following forms of comment or complaints:



Letter/Emails

It is normally the responsibility of the Centre Manager to provide a written reply to all letters and e-mails received at the centre. Where substantial detail or investigation is required this can take the form of a holding letter. The comprehensive reply must then be issued within 5 days of receipt, unless otherwise communicated to the customer.

'How Did We Do' Leaflet

The Assistant Manager/Duty Officer is responsible for implementing, maintaining and monitoring a system of 'How Did We Do' leaflets. All feedback deemed urgent are replied to within 2 days. All non-urgent leaflets are contacted within 5 days. All 'How Did We Do' feedback completed on-line follow the same format as the hard versions. Feedback is normally reviewed at the fortnightly Centre Management Team meeting.

Verbal Feedback

It is the responsibility of each member of staff receiving a verbal comment from a customer to log it on a verbal comment sheet on reception. This is then integrated into the Customer Feedback Matrix system for analysis.

Customer Consultations

The Facilities Unit pursues a policy of pro-active management by seeking customer comments which are formally integrated into the customer feedback system.

Customer Forums

Each centre holds Customer Forums, where invited customers have the opportunity to discuss operational matters with the Centre Manager

Ideally the forum will have between 5 and 10 voluntary representatives. In addition to representing activity areas, the forum should attempt to reflect both genders and a range of ages. An agenda is set which is issued in advance to the participants.

Trend Analysis Feedback

Trend Analysis information, consisting of all of the above, is compiled together to identify issues, and average scores or trends. A matrix system is used in order to conduct detailed trend analysis. This includes a weighted system which relates to the severity of the complaint and is measured against footfall to feed back into a Customer Feedback key performance indicator. This matrix system then feeds discussion at management team meetings on a three monthly basis and is considered when devising actions.

This data and the information from the Customer Care Report are then published to customers on the Customer Information notice board at each centre. This is displayed in a simple and highly visual way, focusing on the key actions as a result of feedback analysis. This data is also displayed on staff notice boards and e-mailed to all staff at each centre.

Examples of Customer Feedback and Subsequent Actions

'How Did We Do' leaflet submitted at Thirsk & Sowerby Leisure Centre saying that current Latin Aerobics class too busy. Plus further verbal comments from customers saying they would like more sessions.

Action = adding further Latin Aerobics classes to group fitness programme. Responded to the individual to inform them of these changes.

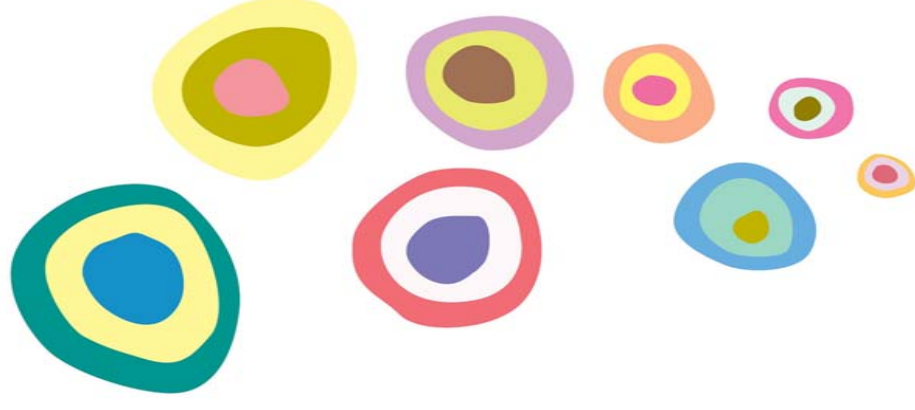
Verbal comments received at Stokesley Leisure Centre identified demand for another Zumba class.

Action = Two additional classes added to programme on a Saturday morning that are doing extremely well.

Feedback saying that there are not enough family cubicles for after Parent and Tot swim sessions at Stokesley Leisure Centre. Customers suggested extra changing tables for babies.

Action = purchased additional changing tables.

Business Plan 2012/13



- A. BUSINESS OVERVIEW
- B. MARKETING PLAN
- C. CUSTOMERS-
- D. STAFF
- E. FINANCES
- F. MOVING FORWARD
- G. SUPPORTING DOCUMENTS

Section A - BUSINESS OVERVIEW

Introduction

Hambleton is a rural District which is based around the five main market towns of Bedale, Easingwold, Northallerton, Stokesley and Thirsk, and has a population of approximately 85,000 residents. In 2011/12, 974,529 people accessed Hambleton's leisure facilities, generating £2,903,371 income and costing £3,683,850 to provide the service.

Hambleton District Council's leisure facilities are managed by the Facilities Unit, their core business principles are focussed on effective planning, excellent customer relations, well-trained and motivated staff and the ability to be innovative. This plan set's out the Facilities Unit's approach to successfully manage leisure facilities and related services in an environment that is continually evolving and driven by the rising expectations of their customers.

Fundamental to achieving their aims, the Facilities Unit are influenced by key plans and strategies, including:

- Community Plan for Hambleton DC
- Hambleton DC Corporate Plan
- Hambleton DC Health Strategy
- Hambleton's Young and Old People's Strategy Plan
- North Yorkshire and York Obesity Strategy
- National priority to increase participation in sport – Sport England

Who we are

The Facilities Unit comprises of the 6 leisure facilities and the small central team that are directly operated by the council. The facilities are:

- Bedale Leisure Centre
- Hambleton Forum
- Hambleton Leisure Centre
- Stokesley Leisure Centre
- Thirsk Floodlit Pitch
- Thirsk & Sowerby Leisure Centre

Our Aims

The Leisure Facilities Unit service contributes to a number of the Council's priority themes because of its cross-cutting functions and outcomes. However, it's most significant contribution is to the Health priority theme vision:

VISION:

“That everyone in Hambleton enjoys improved wellbeing and health and that health inequalities are significantly reduced and ultimately eliminated”

Specific to the Leisure Facilities Unit, our mission is:

MISSION:

“To improve the health and well being of the community through provision of excellent leisure facilities that are accessible to all”

Our Values

Customer Centric

Unite strong leadership with empowered employees

Strive to continuously improve

Team work, integrity and honesty

Offer great value, quality facilities and services

Maintain exceptional safety standards

Economically successful

Responsible for our environment

Socially inclusive

Our Priorities

The Facilities Unit has four major business objectives:

- Improve the quality of our services
- Increase participation and usage (+1% compared to 2011/12)
- Improve financial performance from (+4% compared to 2011/12)
- Develop our employees

Our Customer Charter

Please see Annex A

The Facilities Unit will contribute towards these in 2012/13 by:

- Offering a more appealing range of membership products to contribute towards a 5% (£1,039,822) increase in membership income.
- Generating 10% (£9,605) more income from Personal Training
- Assessing the cost benefit for delivering Hyper Holidays
- Improving the efficiency of Direct Debit processing
- Streamlining the current documented quality system
- Improving the monitoring of sales performance
- Delivering membership focussed promotions to contribute towards a 5% (£1,039,822) increase in membership income.
- Improving member average length of stay from 8 months to 12 months.
- Improving systems for obtaining and monitoring data capture
- Improving brand awareness
- Identifying market opportunities
- Integrating digital marketing into a web focussed strategy
- Offering more appealing and cost effective swimming programming/promotions to contribute towards a 4% (£><) increase in aquatic performance.
- Developing the skills and knowledge of aquatic based employees
- Embedding excellent customer service principles with all employees
- Improving systems for customer access and transactions
- Developing a corporate training plan
- Assisting the community asset transfer of Hambleton Forum
- Assisting the community asset transfer of Thirsk all weather pitch
- Developing business cases for:
 - The extension/refreshment of Hambleton Leisure Centre's gym
 - The conversion of Stokesley squash court into a studio
 - Providing Spinning at Bedale and Thirsk & Sowerby Leisure Centre
 - Improving changing provision at all Centres
 - Improving vending provision across all Centres
 - Adopting a Web-centric approach to service provision

Our Partnerships

The Facilities Unit work in partnership with key community groups to provide a 'focused and joined up' approach to leisure provision, a culture of self - evaluation ensures that the service to the public continually improves in line with the Council and Government's improvement agendas. Some of our key partners include:

Education:

- Secondary schools (especially dual use partners)
- Primary schools
- Connecting Youth Culture (CYC)
- Thirsk School Sports Partnership
- Risedale School Sports Partnership
- North Yorkshire County Council
- Pupil Referral Unit, Northallerton

Health:

- North Yorkshire and York PCT
- Learning Disability Partnership Board
- Simon Warren and Associates
- Teesside University (Sports Injuries Clinic)
- Ed Pratt Physiotherapist

Community Organisations:

- Thirsk and Sowerby Swimming Baths Charity
- U3A – Northallerton
- Northallerton Performing Societies
- Rotary Club – Northallerton
- Broadacres Housing Association
- Engage
- Actdivertz

Sports Organisations:

- the various sports clubs
- Active Hambleton (Community Sports Network)
- North Yorkshire Sport
- the various sports governing bodies
- Hambleton Strollers
- Northallerton Wheelers

Other Organisations:

- R.A.F
- M.O.D

Our SWOT Analysis

See SWOT analysis in the Marketing Plan (Annex B)

How we Manage Risk

See Operational Risk Register (Annex C)

How we Measure Performance

See 2011/12 Key Performance Indicators (Annex D)

Section B – MARKETING PLAN

Please refer to Annex A (Marketing plan). The content of the Marketing Plan is as follows:

- 1) Where we are now?
 - The Market
 - Market trends
 - Sport England Market Segmentation
 - Latent Demand
 - Target Groups
 - Competitors
 - Consumer Analysis
 - Financial Position
 - Business Objectives
 - Research
 - SWOT Analysis
- 2) Where are we going
 - Critical success factors
 - Objectives
- 3) How to reach our destination
- 4) Marketing Schedule
- 5) Review and Measure

Section C - CUSTOMERS

Our visitor numbers are:

Centre	2008/09	2009/10	2010/11	2011/12	2012/13 Target
Bedale LC	124,084	124,367	121,296	127,051	128,000
Hambleton LC	330,843	340,101	334,676	338,602	356,420
Stokesley LC	250,011	238,214	268,504	270,151	272,000
Thirsk FP	10,326	10,924	8,033	15,400	15,600
Thirsk & Sowerby LC	163,765	167,902	169,123	165,448	168,000
TOTAL	947,542	940,697	957,832	974,529	999,680

Our types of users are (based on 2012 User Survey results):

Age:			Ethnic origin:		
11-16		4.8%	White British/Irish		97.9%
17-19		2.6%	Black, Asian and other ethnic groups		2.1%
20-29		11.3%			
30-39		23.5%	Disability?		
40-49		30.3%	Yes		96.%
50-59		10.3%	No		4%
60-69		12.1%			
70 and over		5.1%	Main activity?		
			Swimming and/or sauna		34.4%
Gender:			Fitness Class or Aquafit		13%
Male		32%	SwimKidz Swimming Lessons		15.3%
Female		68%	Swim Adultz Swimming Lessons		0.5%
			Childrens activities		5.7%
Chief income earner:			Zest Health & Fitness gym		22.2%
Higher professional and senior management		29.7%	Floodlit Pitch		0.3%
Manager or technical and intermediate professional		19.2%	Other		7.4%
Other non-manual		5.7%			
Skilled manual		12.6%	Visits to the centre?		
Partly skilled manual		2%	3 times per week		39.5%
Unskilled manual		1.2%	1 or 2 times per week		50.2%
Unemployed		1.4%	Less often than once a week		9.0%
Retired		17.3%	This is the first time		1.3%
Armed forces		2.7%			
Refuse to say		8.2%			

Customer Satisfaction

We undertake a range of consultations and research with customers, including annual user surveys. In two key areas our leisure centre customers have the following views (information from 2012 User Surveys):

	% of Customers that think the Centre offer value for money overall	Centre overall - % who are very/fairly satisfied
Bedale Leisure Centre	68.2%	97.9%
Hambleton Leisure Centre	72.1%	96.5%
Stokesley Leisure Centre	68.6%	93.5%
Thirsk & Sowerby Leisure Centre	61.5%	93.5%
All Centres average	67.6%	95.4%

Active People Survey 2009/10

Sport England undertook research of 363,000 people in England with regards to their health and physical activity lifestyles. This included at least 1,000 respondents from each local authority. Generally Hambleton residents performed very positively in relation to regional and national comparisons. The key results included:

	Hambleton	Yorkshire average	National average
Regular participation (3 x 30 mins...)	26.9%	22.9%	22.3%
Sports volunteers 1 hour+ per week	4.6%	5.5%	4.8%
Club membership	23.6%	22%	24.2%
Coach/Instruction	20.2%	16.1%	17.7%
Competitive sport	18.3%	14.7%	15.0%
Satisfaction with provision	80.6%	69.1%	69.6%

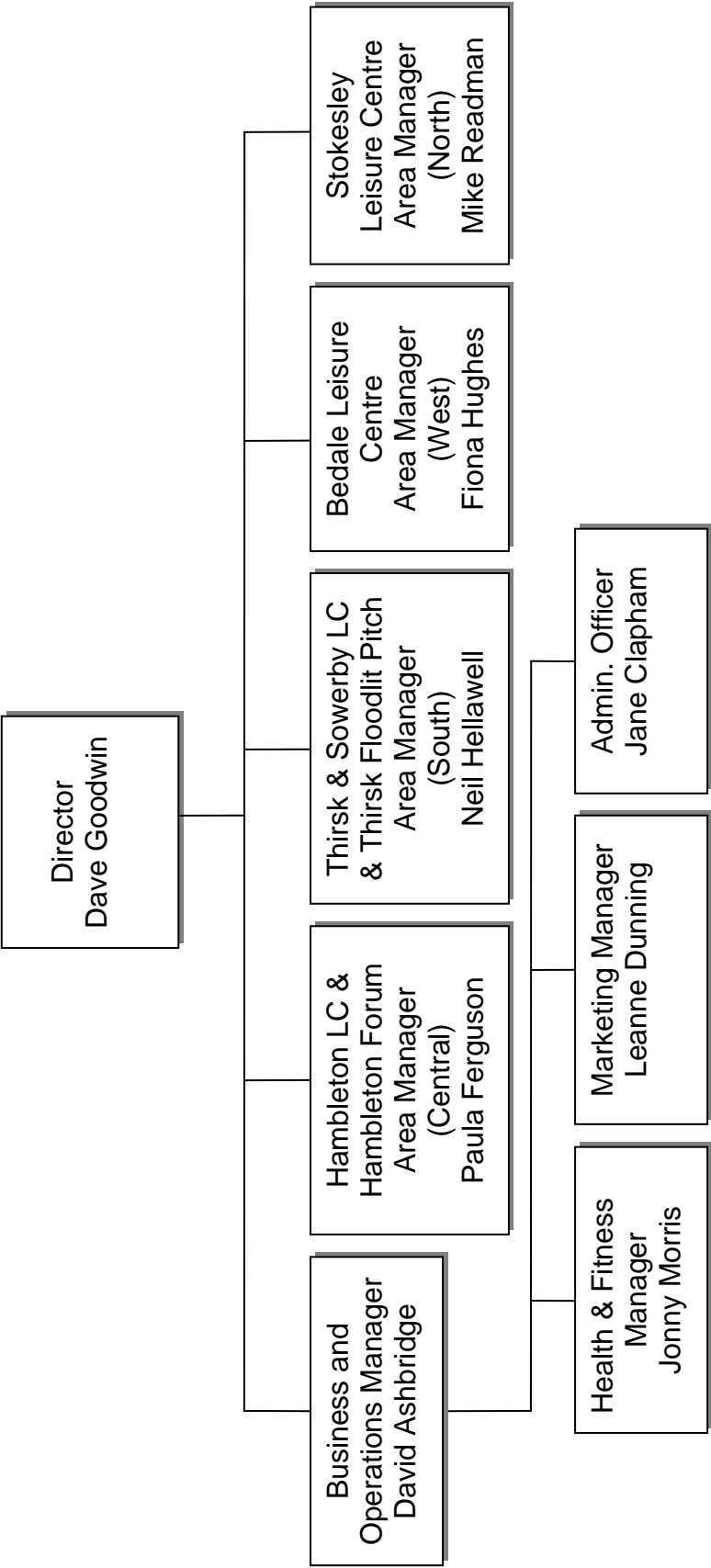
Section D - STAFF

Employee Profile June 2012

The Facilities Unit has 186 contracted employees (in the equivalent of 76.4 full-time positions) and 87 casual employees. The age profile of contracted employees is reasonably typical of the leisure industry, with 72% being under the age of 40.

Contracted Employees	FTE	Male	Female	16 - 20	21 - 30	31 - 40	41 - 50	51 - 60	60+	Disabled
FU	3.2	2	2	-	1	3	-	-	-	
HLC	26.8	30	41	20	13	8	19	6	5	
SLC	18.5	15	31	5	14	7	13	3	4	
T&SLC	14.4	16	16	13	6	5	4	4	-	
BLC	13.5	11	22	6	14	5	6	2	-	
Sub total	76.4	74	112	44	48	28	42	15	9	
Casual Employees										
FU	-	-	-	-	-	-	-	-	-	
HLC	-	16	20	16	17	1	2	-	-	
SLC	-	13	23	10	13	3	4	3	3	
T&SLC	-	12	10	15	6	1	-	-	-	
BLC	-	5	8	4	6	-	-	2	1	
Sub total	-	46	61	45	42	5	6	5	4	
Total	76.4	120	173	89	90	33	48	20	13	
% Breakdown		41	59	30	31	11	16	7	5	

HAMBLETON LEISURE Facilities Unit



Training and Development Needs

This table identifies the key strategic training and development needs of the service in order to help it flourish and achieve its aims and aspirations. Each centre then has a Training and Development Plan which reflects the operational requirements (eg. Lifeguarding), as well as this strategic training.

Training and Development Plan			
Function/New Task	Skill Area Required	Person/Post	Priority 1-3
Improved group fitness programme	Spinning Coaches L2 Trampoline Coach Zumba Gold Zumba Sentaoe Functional Training	Zest Instructors/Coaches	1-3
Compliance with 8th edition NPLQ	Defib trainer training	All TA's	1
Improved Customer Care	Bee Coaching delivery	All staff	2
Swim Lesson Development	L2 Swim Teachers	Swim Coaches	2
Health and Safety	IOSH – Working Safely IOSH – Managing Safely NEBOSH	LA's Manager's X1 Designated Manager	2
Digital Marketing. Delivered in-house (Marketing Manager)	Effective use of web based communications.	Reception/Duty Managers/Zest Instructors/Assistant Managers	2
Sales Training Delivered in-house (H&F Manager)	Awareness of revised Sales Process	Reception/Duty Managers/Zest Instructors/Assistant Managers	2
MRM Reporting	Increased resource and efficiency for data reporting	Manager/ Assistant Manager	2

Priority 1 = service critical, 2=service desirable, 3=personal development

Section E - FINANCES

Facilities	HLC		SLC		BLC		TSP		TAWP		Fac Unit		Total		
	2011/12 Actual	£	2011/12 Actual	£	2011/12 Actual	£	2011/12 Actual	£	2011/12 Actual	£	2011/12 Actual	£	2011/12 Actual	£	2012/13 Estimate
Expenditure															
Employees - Salary costs	581,827		484,266		334,373		334,114		10,506		92,900		1,837,986		1,835,950
Other Employees Costs	9,877		5,262		5,506		2,537		2,579		462		26,223		24,030
Total Employees	591,704		489,528		339,879		336,651		13,085		93,362		1,864,209		1,859,980
Premises	309,936		196,316		144,773		136,835		23,137		0		810,997		840,360
Transport	1,007		1,626		2,331		1,140		0		597		6,701		7,330
Supplies & Services	95,224		121,814		58,325		148,415		1,123		37,681		462,582		411,580
Support Services	129,861		97,658		72,181		80,191		4,225		26,860		410,976		403,700
Support Services (Within Section)	31,700		31,700		31,700		31,700		1,585		0		128,385		152,240
Total Support Services	567,728		449,114		309,310		398,281		30,070		65,138		1,819,641		1,815,210
Gross Cost	1,159,432		938,642		649,189		734,932		43,155		158,500		3,683,850		3,675,190
- Income (Fees & Charges)	- 865,794		- 747,972		- 409,212		- 553,494		- 30,122				- 2,606,594		- 2,753,130
Other Income	- 110,325		- 104,276		- 45,616		- 36,560		0				- 296,777		- 299,090
Total Income	- 976,119		- 852,248		- 454,828		- 590,054		- 30,122				- 2,903,371		- 3,052,220
Transfer from Service Improvements	- 6100										- 11,623		- 17,721		
Recharges (Within Section)											- 158,502		- 158,502		- 187,960
Total Recharges													- 176,223		- 187,960
Total Net Costs	177,213		- 86394		194,361		144,878		13,033		11,623		604,256		435,010

Section F – MOVING FORWARD

Capital Programme

Key Projects for 2012/13:

Refurbish All Weather Pitch	BLC
Replace Pool Filter	BLC & SLC
Plant and AHU Controller	HLC
Fire and Intruder Alarms	BLC & SLC
Roof Repairs	HLC
Pool Tank Tiles	BLC, HLC & TSLC
Voltage Optimisers	BLC & SLC
Combined Heat and Power Units	All Centres.

See Annex E for full details.

Improvement Plan

See Annex F (Facilities Unit Improvement Plan)

Section G – SUPPORTING DOCUMENTS

Document	Reference
Health and Safety Policy	
Procedures	ISO9002 Folder – Quality Records
Membership Performance	QR/C25
Swimming Lesson Performance	QR/C190
Procurement	QR/C28
Sickness Monitoring	QR/C166
Customer Feedback Matrix	QR/C169
Group Fitness Monitoring	QR/C172
Monthly Finance Review	QR/C192
Key Performance Indicators	QR/C26

Scrutiny – 4 September 2012

Report:	Marketing Plan
From:	Leanne Dunning (Marketing Manager)

1.0 Purpose of Report:**Marketing Plan****Objectives**

1. To formalise our strategy
2. To inform improvement planning
3. To improve awareness of Corporate direction
4. To improve business (Commercial) focus

The Marketing Plan is integral to the Facilities Unit and links closely with other strategic documents – the Health Strategy, Facilities Unit Business Plan and Improvement Plan.

Marketing Plan Sections*1. Where are we now?*

A full situational analysis including research findings and SWOT analysis.

2. Where are we going?

Critical success factors and objectives. These then feed into Facilities Unit Improvement Plan objectives

3. How to reach destination?

The strategy - how to achieve objectives and subsequent action plan(s)

4. Communication Plan

Communication objectives & messages

5. Marketing Schedule

Schedule of when key marketing activity happens

6. Review & Measurement

Evaluation of core marketing activity

How to reach destination: Critical Success Factors

These are the core factors and priorities to the business that are not optional and MUST be done well.

1. Reduce costs
2. Improve customer service
3. Follow health & safety regulations
4. Improve quality
5. Improve overall income
6. Increase overall usage

How to reach destination: Marketing Objectives

1. Review of existing products/processes
2. Build a comprehensive customer database
3. Secure membership sales (Acquisition)
4. Improve membership retention rates
5. Increase knowledge of market
6. Review branding
7. Implement a digital marketing (Web-Centric) strategy
8. Improve general swimming (and swimming instruction) performance

Communications Mix

Promotional activities will communicate with both existing customers and prospects by:

1. Increasing awareness (through direct mail, advertising, press coverage)
2. Gaining interest by people into the centre (guided tours, free day passes, referrals, and a needs analysis)
3. Closing the sale (special offers, membership deals, personal selling)

An integrated, repeat contact marketing approach will be taken, using a number of different channels in order to achieve objectives.

- Identify key driver in market place: e.g. New Year resolutions/ Olympics 2012/ shape up for summer
- Agree message: what are the special offers and target audiences
- Internal Staff briefing: presentation and briefing document
- PR: press releases to key media.
- Point of sale: creation of supporting material to be distributed and displayed in centre
- Direct Mail: hard copy, electronic mail and SMS.
- Website: promotion advertised prominently – call to action & online forms to enquire/sign up
- Social media: Facebook, Twitter, You Tube
- Advertising: placement of adverts including response mechanism as relevant (radio, press)
- Community Links: Local shops, businesses, social groups, doctors
- Personal selling: front line staff at reception, market stalls/stands

The Marketing Plan was presented at Improvement Planning day to the management team for buy-in and helped inform decision making, the Facilities Unit Improvement Plan objectives and success criteria (strategy).

The Marketing Plan will be an evolving document and will adapt throughout the year depending on the needs of the business.

From this plan a Zest Marketing Schedule 2012-2013 has been created which schedules key corporate marketing activity, provides individual promotion plans and also lists routine marketing activity and communications.

Copies of the Marketing Plan and Schedule are available upon request.

Commissioning External Income Expertise (Sweating our Assets)

1.0 Sweating our Assets

1.1 In an effort to continuously improve, steps have been taken to bring an external resource to a project we are calling "Sweating our Assets". Essentially this is about getting an experienced commercial leisure expert's view on how we can generate more usage and income from the leisure centre assets we already have.

1.2 The brief to the commercial sector is for views back to us on:-

- Pricing (including multi tier);
- Resales and retail;
- Catering;
- Commercial sponsorship;
- An assessment of our activity programming.

We have been careful to specify that they need to be specific about Hambleton's unique market, rather than simply importing ideas which may have worked elsewhere in very heavily populated urban areas.

2.0 Strategic Review of Hambleton's Leisure Centres

2.1 A trawl of companies capable of undertaking a long term 5 – 10 year view of our Leisure Centres revealed that some of the background work required was the same as was needed for the 'Sweating our Assets' project. Discussions with companies have therefore been about one or other projects but also about their ability to do both.

3.0 FMG Consulting produced a report which is available in the Members Lounge, a summary of this is provided below:-

- Hambleton's Leisure Centres are generally performing very well compared with the commercial sector in terms of usage and income, given their population base and profile;
- The conversion of some spaces and the extension of others within the current envelope of the buildings could generate additional use and income. This would require capital investment and therefore separate/individual business cases would need to be developed;
- Upgrading of some changing areas is necessary to avoid attrition (this is more about maintaining current rates of use rather than growing them);
- Future marketing needs to consider new technologies;
- There are a raft of smaller individual improvement items which are operational;
- The current catchment population of Bedale Leisure Centre is making the Centre not be used to its optimum. However, the LDF allocations for housing in the future very close to the Centre will improve this (two significant planning applications currently submitted in this respect).

4.0 Action Plan

4.1 The attached Action Plan has been developed as a result of the external report.

FMG Improvement Plan: August 1st 2012

n.0	Actions	Progress
1	Installing on-screen advertising (in-house);	Feasibility work undertaken – however due to cost benefit assessment and legal issues no further work has been done.
2	Review current retail provision in view of selling a more appealing range of items, in line with FMG recommendations (in-house);	A new purchasing contract has been agreed with preferred Swim equipment supplier (Zoggs) – part of this includes an assessment of resale displays at each Centre.
3	Plan customer care training to promote focused 'up-selling' culture (in-house);	BEE Training currently being rolled out across the Centres. Refreshment of the Sales Process is currently being looked at in view of in-house training in December to key staff.
4	Undertake a comprehensive review of vending provision (in-house);	Feasibility work in progress.
5	Review current personal training provision and consider options detailed in the report (in-house);	Not yet considered.
6	Review existing budgets in view of allocating more marketing spend (in-house);	Not yet considered.
7	Introduce on-line bookings and payments. Currently planned for implementation in April 2012 (in-house);	Currently live, however an official launch has been delayed due to processing errors. Likely launch in September 2012.
8	Review membership products and pricing (in-house);	Working group established and proposals have been drafted. Implementation for the outcome of this review will be in January 2013.
9	Develop an internal marketing communications programmed – linked to business priorities (in-house);	This has been done – Marketing Plan and Marketing Schedule.
10	Branding review, streamlining existing brands to create a clear message (in-house).	Started. To coincide with membership product re-launch in January 2013.

Projects		
11	<p>Feasibility assessment to relocate Hambleton Leisure Centre's gym into the Sports Hall (FMG to business case level);*</p>	<p>The Sports Hall option will not be progressed due to dual use agreement with School. FMG have conducted a supplementary report indicating that it may be feasible to extend the existing gym space – next steps to be agreed with Cllr Wilkinson</p>
12	<p>Feasibility assessment to convert Stokesley Leisure Centre's hard back squash court into a studio eg spinning, toning etc (FMG to business case level);</p>	<p>FMG conducted supplementary report that rules out the initial option of making the squash court a two tiered space. Work currently being undertaken to develop an in-house business case with significantly reduced costs.</p>
13	<p>Review changing provision at Hambleton, Stokesley and Bedale Leisure Centres eg need/impact assessment (in-house);*</p>	<p>><</p>
14	<p>Provision of café facilities at Hambleton Leisure Centre (FMG to business case level).</p>	<p>This has since been dismissed as a potential development opportunity due to the uncertainty of return on investment.</p>
15	<p>Although not mentioned in FMG's report we also believe there may be scope to introduce spinning to sites at both Bedale and Thirsk. This would require some investment in equipment, storage and training (in house to business case level)</p>	<p>Bedale now offer Spinning. Thirsk are currently in the process of assessing storage space for the bikes.</p>
16	<p>Creating a 'web-centric' approach, using all forms of on-line resources (website, Facebook, Twitter, Mobile Media, Linked-in etc) to channel customer transactions and interactions is the way forward for ensuring sustainability.</p>	<p>A business case has been drafted.</p>

**Capital 2012/13
Leisure and Health**

<u>Scheme</u>	<u>Project Sponsor</u>	<u>Progress</u>	<u>Total £</u>
Gym equipment refresh	DRG	Complete	24,000
Stokesley Leisure Centre intruder and fire alarms	DRG	Complete	9,000
Bedale Leisure Centre intruder and fire alarms	DRG	Complete	20,000
Thirsk All Weather Pitch – surface replacement	DRG	Complete	2,700
Roof repairs at Hambleton Leisure Centre	DRG	Complete	24,670
Pool filters at Stokesley Leisure Centre and Bedale Leisure Centre	DRG	Roll forward to 2013	125,000
Pool tank tiles at Hambleton Leisure Centre, Thirsk Leisure Centre and Bedale Leisure Centre	DRG	Due in October 2012	120,000
Aircon replacement in gyms	DRG	Due in March 2013	15,000
Voltage optimisers Hambleton Leisure Centre	DRG	Complete	49,330
Voltage optimisers at Stokesley Leisure Centre and Bedale Leisure Centre	DRG	Complete	24,000
Voltage optimisers at Thirsk Leisure Centre	DRG	Due in October 2012	16,000
Hambleton Leisure Centre plant controls and air handling	DRG	Due in December 2012	21,000
Combined heat and power unit Hambleton Leisure Centre	DRG	Due in December 2012	60,000
Combined heat and power unit Stokesley Leisure Centre	DRG	Due in December 2012	60,000
Combined heat and power unit Bedale Leisure Centre	DRG	Due in December 2012	60,000
Combined heat and power unit Thirsk Swimming Pool	DRG	Due in December 2012	60,000

DRAFT HDC 10 Year Capital Programme 2012/13 - 2021/22

Form
needed
for 12/13

EXPENDITURE

	Yr 0	Yr1RF	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	TOTAL inc	Project
	11/12	12/13	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	Yr1RF	Sponsor
LEISURE & HEALTH														
#### Gym Equipment Refresh	0	24		24		24		24		24		24	144	DG
#### Intruder Alarms SLC & BLC	0	9											9	DG
#### Fire Alarms SLC & BLC	0	20											20	DG
#### Thirsk Sensory Garden	20												0	DG
#### Thirsk 8 Skatepark Provision	99												0	DG
#### Thirsk All Weather Pitch	65	4											4	DG
#### HLC Changing Room Floor Tiling	0			10									10	DG
#### Roof Repairs SLC & HLC	10	71											71	DG
#### Pool Filters SLC & BLC	0	75	50										125	DG
#### Pool Tanks Tiles HLC TLC & BLC	0	120							20				140	DG
#### Thirsk LC Disabled Hoist and Changing rooms	14												0	DG
#### Bedale All Weather Pitch Refurbishment				72									72	DG
#### Hambleton LC Dehumidifier				9									9	DG
#### Hambleton All Weather Pitch Refurbishment					131								131	DG
#### Stokesley All Weather Pitch Refurbishment					11								11	DG
LEISURE & HEALTH - EXP TOTALS £k>	208	323	50	115	142	24	0	24	0	44	0	24	746	

*

'Sweating Our Assets' Action Plan

No	Actions	Progress
1	Installing on-screen advertising (in-house);	Feasibility work undertaken – however due to cost benefit assessment and legal issues no further work has been done.
2	Review current retail provision in view of selling a more appealing range of items, in line with FMG recommendations (in-house);	A new purchasing contract has been agreed with preferred Swim equipment supplier (Zoggs) – part of this includes an assessment of resale displays at each Centre.
3	Plan customer care training to promote focused 'up-selling' culture (in-house);	BEE Training currently being rolled out across the Centres. Refreshment of the Sales Process is currently being looked at in view of in-house training in December to key staff.
4	Undertake a comprehensive review of vending provision (in-house), considering installation of branded hot drinks machines.	Feasibility work in progress.
5	Review current personal training provision and consider options detailed in the report (in-house);	Not yet considered.
6	Review existing budgets in view of allocating more marketing spend (in-house);	Not yet considered.
7	Introduce on-line bookings and payments. Currently planned for implementation in April 2012 (in-house);	Currently live, however an official launch has been delayed due to processing errors. Likely launch in September 2012.
8	Review membership products and pricing (in-house);	Working group established and proposals have been drafted. Implementation for the outcome of this review will be in January 2013.
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Projects	
11	<p>Feasibility assessment to relocate Hambleton Leisure Centre's gym into the Sports Hall (FMG to business case level);*</p> <p>The Sports Hall option will not be progressed due to dual use agreement with School. FMG have conducted a supplementary report indicating that it may be feasible to extend the existing gym space – next steps to be agreed with Cllr Wilkinson</p>
12	<p>Feasibility assessment to convert Stokesley Leisure Centre's hard back squash court into a studio eg spinning, toning etc (FMG to business case level);</p> <p>FMG conducted supplementary report that rules out the initial option of making the squash court a two tiered space. Work currently being undertaken to develop an in-house business case with significantly reduced costs.</p>
13	<p>Review changing provision at Hambleton, Stokesley and Bedale Leisure Centres eg need/impact assessment (in-house);*</p> <p>Feasibility work currently being undertaken with Design and Maintenance.</p>
14	<p>Provision of café facilities at Hambleton Leisure Centre (FMG to business case level).</p> <p>This option was deemed unfeasible in the external consultants report, as the return on investment is uncertain and a potential risk.</p>
15	<p>Although not mentioned in FMG's report we also believe there may be scope to introduce spinning to sites at both Bedale and Thirsk. This would require some investment in equipment, storage and training (in house to business case level)</p> <p>Bedale now offer Spinning. Thirsk are currently in the process of assessing storage space for the bikes.</p>
16	<p>Creating a 'web-centric' approach, using all forms of on-line resources (website, Facebook, Twitter, Mobile Media, Linked-in etc) to channel customer transactions and interactions is the way forward for ensuring sustainability.</p> <p>A business case has been drafted.</p>

Hambleton District CouncilSubsidy Per Visit Comparisons Against Sport and Recreation 2011/12

	Visitors	Operating Costs £	Salaries £	Income £	Net Cost £	Subsidy Per Visit Rate £
Bedale Leisure Centre	127,051	197,030	340,020	485,410	-51,640	-0.40
Hambleton Leisure Centre	338,602	391,700	583,340	1,024,840	+49,800	+0.14
Stokesley Leisure Centre	270,151	291,250	496,100	883,650	+96,300	+0.35
Thirsk and Sowerby Leisure Centre	165,448	244,980	320,580	626,880	+61,320	+0.37
Thirsk and Sowerby All Weather Pitch	15,400	25,230	9,140	31,440	-2,930	-0.19
Leisure Centre Central Costs	n/a	59,940	99,540	0	-158,480	n/a
Sub Total	916,652	1,210,130	1,848,720	3,052,220	-6,630	0.01
Galtres Centre (for comparison purposes)	67,400	29,110	0	0	-29,110	-0.43

Notes:

- Users based on those participating in sport and physical activity.
- Expenditure covers all revenue expenditure (including NNDR but excluding central administration costs).

Leisure Centres – Draft Strategic Plan

1. Drive down operational running costs of the Council managed Leisure Centres by reducing expenditure, and increase income, to a point which creates an overall profit.
2. Consolidate and improve the facilities that we have rather than expand further.
3. Implement the "Sweating our Assets" Action Plan.
4. Deliver new facilities and services for the communities in Thirsk/Sowerby and North Northallerton by establishing new not for profit management organisations to sustain them.
5. Review this Strategy each year with a fundamental review in 5 years' time and in light of the Council's overall financial position consider the need to pursue more radical options:-
 - Conversion of poorer performing facilities (or cost centres);
 - Closure of poorer performing facilities (or cost centres);;
 - Change of management method;
 - Community Asset Transfer of facilities.