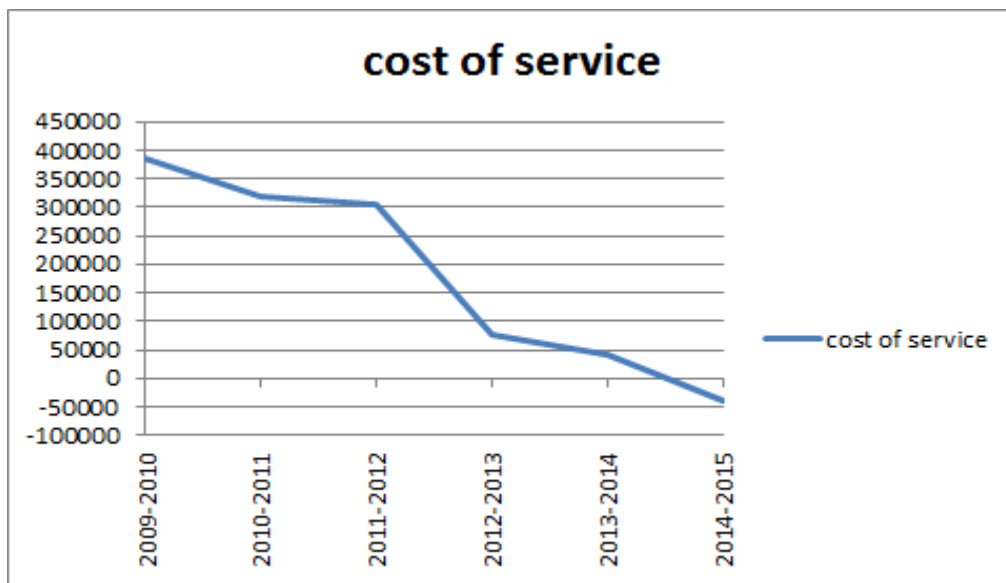


Scrutiny committee 2015 leisure service report.

Income targets for 2014/15 were extremely challenging particularly given the fact that year on year the leisure service has reduced its service cost significantly. Income was missed by just over £24k on an income target of £2,379,130 and highlights the fact that income performance is starting to plateau for the three sites. The reduced cost in service is shown in the graph below which highlights the cost of the service; it shows expenditure that is within control of the service i.e. therefore does not include capital charges, rates or support services.



Core members as an average grew from 2013/14 of 3195 to 2014/15 of 3528. With just two months data for 15/16 the average is showing 3663.

With the fact that the service was starting to show signs of plateauing in terms of income, Leisure Futures Ltd was appointed to undertake a review on both Exe Valley Leisure Centre and Culm Valley Sports Centre to ascertain where, if any, were possible avenues for further income growth. Whilst Culm Valley was considered unlikely to provide any significant returns on investment it was felt that Exe Valley was very much at capacity particularly regarding the use of the fitness studio. As a result of this AFL/S+P architects were commissioned to provide drawings and indicative costings for an extension to the Exe Valley building adjoining the existing gym and dance studio next to the tennis courts. Cost varied for the project from £480k (Leisure Futures) to over £800k from AFL/S+P and currently the Public Buildings Manager is conducting a tender process to ascertain more true costs from building companies. Once this is known a business case for the extension can be analysed (£500k is in the capital projects funds for 2015/16).

Lords Meadow Leisure Centre has experienced very good usage of the new ATP which was encouraging as well as improved use of the Meadow Suite training room. Closer scrutiny of the energy saving equipment provided by Anesco has reduced energy costs. As with all three sites the Governments opt-in pension contribution scheme has cost in the region of £29,000 for the service in total which affected salary budgets across all three sites.

Culm Valley sports Centre underwent a refurbishment of the lower floor and gym rooms. This cost in the region of £25,000 and was met with universal appreciation from customers and has improved the front of house image significantly. Culm Valley over achieved income budget by over £41k proving the investment in the lower floor to be a worthwhile project.

Exe Valley Leisure Centre converted one of its offices (once the kitchen) to a dedicated hire room currently being licenced to a local physiotherapist. Tennis court high-level maintenance (thorough clean and repainting) is due to take place immediately after the Wimbledon fortnight. The café is due to be leased to a local company in July.

The service launched a new look website in May this year which has improved the 'customer journey' and has also enabled the team to manage the site through complete content management, reducing the need to seek independent content input.

A communication tool has just been purchased which works with the current management system and allows for a customer journey to be plotted providing SMS text messages, emails and letters which can be customised according to the customers usage i.e. if a client has not attended for a while a message will be automatically sent, equally if they are attending on a regularly basis a congratulatory text will be sent.

The appointment of the new Health and Safety Officer, which was the Centre Manager for the Exe Valley site, has meant that management resources have been stretched and due to the continuing pressure on performance there is currently a remodelling exercise of the current management team that will focus on operational aspects and specific strategic aspects. Strategically there is a need for a focus on retention of our customers having lost over 2000 in the previous year. Marketing is likely to focus less on promotions and more on keeping current customers.