

Budget and Performance

Salt Ayre Sports Centre 12 June 2012

Report of Head of Community Engagement

PURPOSE OF REPORT

To update Members with regard to the performance of Salt Ayre Sports Centre for 2011/12 and provide an overview of specific areas of work planned for the future.

This report is public.

RECOMMENDATIONS OF HEAD OF COMMUNITY ENGAGEMENT

- (1) **That the report be noted and that Members consider any recommendations they would wish to make.**

1 Introduction

- 1.1 Salt Ayre sports centre is owned and managed by the City Council. This report sets out summarised information in relation to how the sports centre has performed financially over recent years. It also highlights a number of current partnership arrangements and possibilities for the future.

2 Performance

- 2.1 Salt Ayre sports centre includes a swimming pool, sauna and steam rooms, sports hall, fitness suite projectile hall, café, dance studio, athletic track, artificial turf pitch and grass football pitches.
- 2.2 The centre is used by a cross section of the community and caters for all ages including the very young (learn to swim programmes) to the elderly and of all abilities. The swimming pool consists of two moveable floors which enables a diverse programme to be offered, particularly to swimming clubs. The swimming pool has the option of operating at a consistent depth of two meters and thirty three meters in length which is useful for both swimmers and water polo participants alike.
- 2.3 Reflexions (fitness suite) is of fundamental importance to the performance of the sports centre and there are currently 971 members (815 in 2009/10, 888 in 2010/11) who benefit from use of the fitness suite, swimming pool and attendance at a number of fitness classes, all included within the membership price. Latest draft information available at the time of preparing the report (and therefore still subject to final ratification as part of the current year end process) is that the 2011/12 outturn position is estimated to show £271.1k income against £138.5k expenditure, i.e. net £132.6K surplus compared to net £113.1K surplus achieved in 2010/11. It should be noted at this stage however, that this doesn't include any direct share of

management/administrative overheads or general running building costs so at present isn't fully representative of how this particular cost centre is performing overall.

- 2.4 The table below provides financial information for the Salt Ayre sports centre as a whole summarised over recent financial years and includes income and expenditure for which the 2011/12 figures although draft still provides a reasonable guide to the current overall net financial position for the sports centre.

Summary	Budget 2009/10	Actual 2009/10	Budget 2010/11	Actual 2010/11	Budget 2011/12	Actual 2011/12 (Draft)
	£	£	£	£	£	£
Expenditure	2,367,900	2,334,400	2,318,200	2,125,200	2,350,100	2,254,200
Income	(1,046,500)	(912,800)	(960,800)	(865,200)	(928,100)	(908,700)
Net Total	1,321,400	1,421,600	1,357,400	1,260,000	1,422,000	1,345,500

3 Partnership Work

- 3.1 The sports centre currently hosts the Community Engagement Active Health Team. This is a team of officers who are employed by the Council but funded wholly by the Primary Care Trust (PCT). Lancaster City Council was commissioned by the North Lancashire Teaching Primary Care Trust (PCT) to develop and deliver this new service (GP Exercise Referral) from January 2009 for 3 years. The main objective was to engage with our local GP practices and achieve a target of 900 referrals by April 2012.

The GP Exercise Referral Scheme allows local GP's, practice nurses and primary and secondary care professionals to refer patients who are at risk from coronary heart disease, into a 12-week programme of exercise and support. In most cases these patients have other contributing co-morbidities including obesity, muscular skeletal problems, hypertension and many others.

A personalised 12-week programme of activity is planned with periodic assessments concluding in a detailed evaluation once the patient has completed the programme. Every patient's final assessment is sent to their GP.

There have been 1,788 visits to Salt Ayre Sports Centre by people who are on the scheme.

- There have been 3,225 visits to Salt Ayre Sports Centre by people who have been on the scheme and finished.
- These combined visits created an income of £6,851
- 19 people joined as a Reflexions Corporate Member after leaving the scheme which equates to an annual income of £6,384
- 13 people joined as a Reflexions 55+ Member after leaving the scheme which equates to an annual income of £3,432
- 4 people joined as a Reflexions Off Peak Member after leaving the scheme which equates to an annual income of £1,248

- These combined memberships equate to £11,064

The total combined income from the two areas above is £17,915 of additional income that the sports centre would not have generated as most if not all of the referrals did not participate in exercise prior to being referred.

MEND is a programme that is funded via the Primary Care Trust and is aimed at children who are clinically obese and who have been referred by a school nurse. The programme provides education and activity sessions for the child and their parent/guardian to participate in. This targeted approach has proved very successful during 2011/12 and received very positive feedback from those who have attended. The aim is to change long term attitudes and life choices towards healthier living.

Energy use at Salt Ayre

The centre is the largest consumer of energy within the council's municipal buildings. 2011/12 has seen an ongoing campaign to identify means of reducing energy consumption within the building. Pumps and meters have been upgraded and covers have been installed for the swimming pool to maintain the heat whilst the pool is closed. The changes made at the centre have saved the council more than £146,000, representing a 42% reduction in energy use and CO2 emissions and a 54% reduction in costs compared to 2008/9.

Following on from the report submitted to the Cabinet meeting in October 2011, panels have now been installed on the roof at Salt Ayre Sports Centre. The installation was completed in early April 2012 and Salt Ayre can now generate electricity. The project was funded as a Climate Change Invest to Save Project.

Young people

The sports centre works closely with the Council's Sport and Physical Activity team and as such a strong programming policy encouraging participation from children and young people has been developed. There are specific schemes which are externally funded and help deliver against agendas such as reducing crime and disorder and anti social behaviour. Statistics as provided by the police show reduction of such incidents when specific programmes are in place.

The sports centre is ideally located between Lancaster and Morecambe and discussions are taking place with the County Council to explore the demand for facilities which may further address the needs of young people.

4 Future Review

- 4.1 The sports centre must adapt to trends in the leisure industry and as such officers have recently embarked on a series of discussions with colleagues from South Lakes, Wyre and Fylde Councils. There exists a range of service delivery mechanisms available to local authorities in order to manage their sports and leisure management services.
- 4.2 South Lakes currently operate with a 'Trust' managing their sports and leisure management contract, with both Wyre and Fylde opting for private sector partnership arrangements with the YMCA.

- 4.3 The discussions have been useful in terms of sharing some good practice and understanding the varying needs of each Authority. It is intended that officers will continue with the dialogue with a view to exploring further any options that may become possible for joint working initiatives. The possibility of creating efficiencies or sharing costs for example by way of procurement opportunities will continue to be examined.
- 4.4 Following the significant restructuring of the Service and the consequent reduction in staffing costs there is a continual need for the organisation to consider review and change where appropriate. The very nature of the ever changing industry of sport and leisure demands such an approach. The need to review various aspects of the operation of the sports centre, links to Community Pools and importantly, examine the potential benefits of differing management and delivery mechanisms will continue. As will the focus on ensuring that the operation of the centre continues to support Corporate Plan priorities.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

None as a result of this report.

LEGAL IMPLICATIONS

There are no legal implications.

FINANCIAL IMPLICATIONS

There are no immediate financial implications arising; however, this is very much dependant on the outcome of the current review and further reports to Members will be required prior to any potential future changes in service delivery being implemented.

It should be further noted that from a financial perspective, although income continues to be less than budgeted for in 2011/12, this is mainly attributable to the performance of the café and has been managed through reduced expenditure for this area during 2011/12. That said, although income appears to have exceeded target for other areas such as Reflexions and the Main Hall and that Reflexion membership numbers are on the increase compared to 2009/10 and 2010/11 (as per section 2.3 of the report), income targets generally have been reduced in recent years and are still somewhat less than those previously forecast. This might indicate that throughput for the centre as a whole has perhaps been on the decline overall. Draft information available so far for 2011/12 seems to show a reverse in this trend, however this still requires further investigation by Officers.

Similarly, there is not enough meaningful management information available at present to inform how much has been invested in the centre overall and what the estimated rate of return has been or will be in the future.

Ongoing expenditure and income targets as well as robust management information will need to form an integral part of the ongoing review therefore, alongside consideration of ongoing/future service delivery and continuation of successful partnership working and be reported to members in due course.

OTHER RESOURCE IMPLICATIONS**Human Resources:**

None.

Information Services:

None.

Property:

None.

Open Spaces:

None.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and would add that as well as the need to strengthen management information, there is also the need to build on this to clarify and strengthen pricing policy for the facility.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

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