

SALT AYRE LEISURE CENTRE

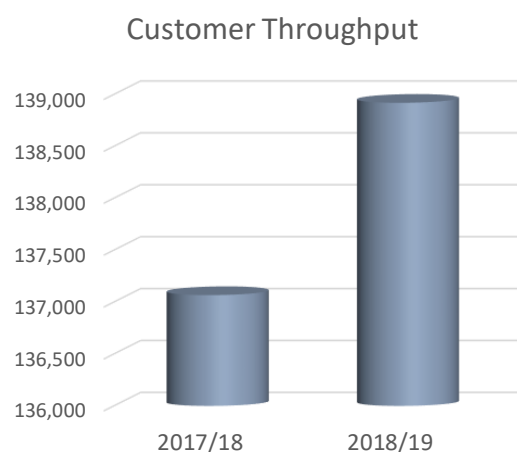
2018/19 QUARTER 3 PERFORMANCE MONITORING

Key messages

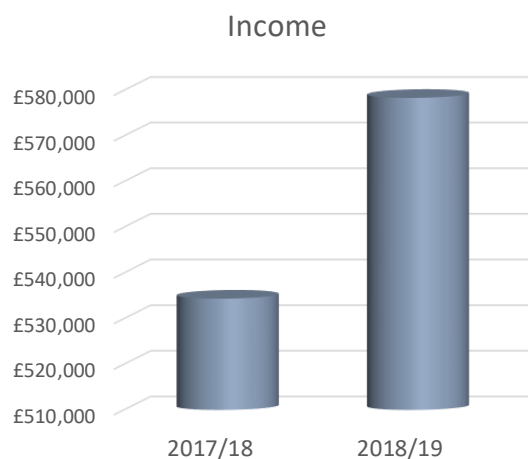
- **This years predicted operating subsidy for Salt Ayre Leisure Centre (SALC) has reduced by £500K to £200K- (It was £700k pre development). Year to date Income exceeds budget by £50k.**
- Quarter 3 financial performance is showing a net surplus of **£2791**
- Salt Ayre has sustained and is continuing to grow throughput. Pre development figures of circa 300,000 visits increasing to circa 750,000 post development, the centre still manages to gain in key areas such as the gym and Spa. **1800** increase for Quarter 3
- Salt Ayre won Health & Fitness Venue of the Year at the Bay Business Awards
- Swimming income continues to increase as a result of a number of improvements in the way lessons are managed. Introducing the direct debit option has resulted in easier payment options for customers and a more regular flow of income to the Centre. The income target has been increased by £112k.
- Health and Fitness similarly continues to perform exceeding original targets with an increase of £56k being added to original budget expectations.
- The increase in premises costs has been previously reported and due to an increase in National Non Domestic Rates (NNDR) of £21k and the installation of the new CHP led to an over optimistic energy budget reduction. Both these were outside the control of SALC. Winter data is now showing the CHP is delivering savings and with more energy efficient practices across the centre, there is a £20k of savings expected. Further adjustments will take place once a fully year of actual performance has been established.
- The building heating management system in the Swimming Pool Hall failed. Cost of work circa £30k funded from council reserves. This quarter has been very challenging in terms of repairs and maintenance with unexpected and unplanned repairs needed for the centre which has resulted in a small increase in premises costs.
- Additions to budget forecast include £37k for staff turnover, which is a figure the Council sets across all services. General reductions as a result of staff turnover are already included within management of wages and salaries.
- The café continues to perform well and is on track to meet or exceed the target of £413k.

	2017/18 Full Year Actuals	2018/19 Original Full Year Budget	Qtr3 Budget	Qtr3 Actual	Qtr3 Variance	Full Year Projection	Variance to Original Budget	Percentage of Original Budget
	£	£	£	£	(Favourable) / Adverse £	£	(Favourable) / Adverse £	
Expenditure								
Employees	1,259,787	1,396,400	1,011,040	981,849	(29,191)	1,367,209	(29,191)	-2%
Premises Costs	589,995	548,900	446,592	545,392	98,800	647,700	98,800	18%
Transport Costs	23,000	14,600	17,807	17,407	(400)	14,200	(400)	-3%
Supplies and Services	538,632	539,000	429,764	438,464	8,700	547,700	8,700	} 0%
Funding from Renewals Reserve	(89,814)	0	0	(30,000)	(30,000)	(30,000)	(30,000)	
Income								
Fees and Charges	(2,123,387)	(2,354,500)	(1,765,625)	(1,816,325)	(50,700)	(2,405,200)	(50,700)	2%
Direct Net Operating Cost/(-) Surplus	198,213	144,400	139,578	136,787	(2,791)	141,609	(2,791)	
Support Service Costs	399,292	361,800	271,350	271,350	0	361,800	0	
Total Net Operating Cost	597,505	506,200	410,928	408,137	(2,791)	503,409	(2,791)	
Renewals Reserve Contribution	150,000	150,000	0	0	0	150,000	0	
Capital Financing Costs - MRP re £5M development	177,973	218,500	163,875	163,875	0	218,500	0	
Total Net Cost	925,478	874,700	574,803	572,012	(2,791)	871,909	(2,791)	

Customer Throughput	2017/18 £	2018/19 £	(Favourable) / Adverse	(Favourable) / Adverse %
Shop	771	465	306	39.69%
Health & Fitness	30,173	37,462	(7,289)	(24.16%)
SASC Café	54,876	50,252	4,624	8.43%
Sports Hall	5,743	6,149	(406)	(7.07%)
Studio	9,468	9,031	437	4.62%
Swimming	16,942	16,299	643	3.80%
Spa	3,193	5,949	(2,756)	(86.31%)
Gravity	202	135	67	33.17%
Xheight	2,752	2,199	553	20.09%
Energy	12,947	10,978	1,969	15.21%
	137,067	138,919	(1,852)	0.00%



Income	2017/18 £	2018/19 £	(Favourable) / Adverse	(Favourable) / Adverse %
Shop	3,300	2,551	749	22.70%
Health & Fitness	186,840	244,085	(57,245)	(30.64%)
SASC Café	112,782	97,937	14,845	13.16%
Sports Hall	46,528	40,993	5,535	11.90%
Studio	7,091	4,367	2,724	38.41%
Swimming	111,954	96,132	15,822	14.13%
Spa	17,019	52,458	(35,439)	(208.23%)
Gravity	2,111	908	1,203	56.99%
Xheight	17,771	18,535	(764)	(4.30%)
Energy	28,974	20,380	8,594	29.66%
	534,370	578,346	(43,976)	(8.23%)



Comments from Sports Development & Facilities Manager

- Staff turnover in key cost centres (Health & Fitness / Spa) has been a challenge in Q3. In spite of this December 2018 was the best performing month since opening.
- Significant contribution to the Spa throughput has been the success of The Feel Good Suite in this quarter.
- Salt Ayre worked collaboratively with 'Lancaster on Ice by' providing reduced entry fee on production of ticket. The success of 'Lancaster on Ice' may have contributed to a decrease in 'Energy' admissions as we have seen 500 less admissions compared to the same period in December last year.
- 16 Staff undertook group exercise training delivered by the Precor Master Trainer in preparation for the launch of the new class timetable in January.
- Active Lives Team is now back up to full strength and ready to deliver for the final 15 months of the contract.

Education

- Work continues to grow with the School Sport Partnership. 12 schools attended in the quarter which was an increase on Q2.
- CPD workshops continue to be delivered at Salt Ayre for primary and secondary school teachers.
- Schools Sports Partnership Conference took place in December with over 80 local school teachers attending.
- The Chadwick Centre for excluded children have been attending regularly and have increased their number of sessions per week. Positive feedback received from teachers, pupils and County Council inspectors.
- Work experience opportunities have been created with the local college and high schools and the team at SALC also provide tours and workshops on health & safety, facility management and Spa operation

Disability sessions

- The ongoing programme continues to grow. Around 150 visits per week attending the regular programme.
- Piccadilly Gardens, centre for adults with learning disabilities, now access SALC on a weekly basis taking part in a range of activities.

Partnership working / Community Support

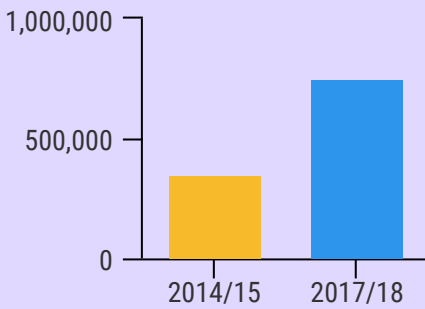
- The Midwives continue with 4 clinics per week. This has been very well received due to the closure of community venues such as Children's Centres. The Centre also provides a venue for health visitors to see clients.
- University Of Cumbria are delivering their Rehabilitation Clinics running 2 days per week. This enables 3rd year students to hone their skills for the benefit of Centre users and the general public. To date over 100 have benefited from this service.
- LFX and Les Mills annual seminars took place in The Hub for the first time and repeat bookings have been secured.

Programme development

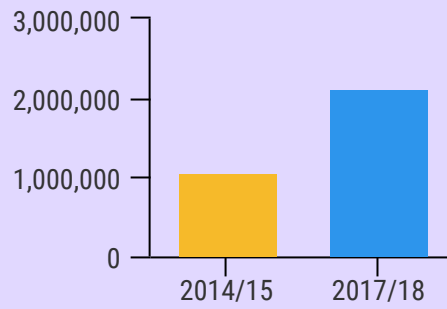
- SALC have developed some new holiday activities to stimulate the creative side of child development. Creation station and Pyjama Drama have been successful in attracting a new audience. Breakfast with Santa and Christmas Disco in Energy were both sold out events, as were the Learn to Cycle sessions. Roller disco was added to October half term which proved successful
- SALC now has pre-school offer every day. The introduction of a new pre-school swim to complement our children's play Zappers sessions. Similarly the Centre contributes greatly to the Council's 'Ambitions' plan and has this new vibrant ethos at its heart.

How did the development affect performance?

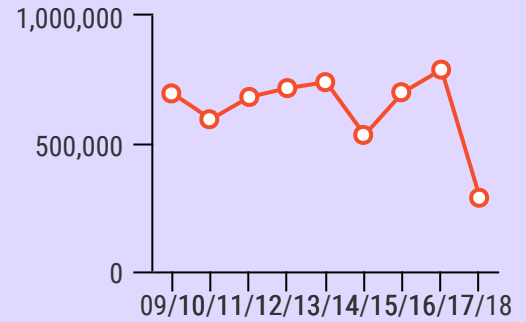
Increase in Customer Throughput



Increase in Overall Net Income



Net Operating Subsidy



From October 2017 - October 2018 Salt Ayre has



Helped 15 families from Safe attend sessions (domestic violence charity)



Served 57,532 hot drinks



Welcomed 1,152 babies via midwife clinics at SALC



Had over 3,500 visitors to our disability sports programme



Relaxed 13,500 visitors in our Spa



Tired out 32,000 children in soft play



Let 8,300 children climb the walls



Sang Happy Birthday 730 times



- APSE - Best public/private sector partnership
- APSE - Efficiency & transformation initiative
- National Fitness Awards - Functional Training
- National Fitness Awards - Gym of the year
- Innovation Award - Procurement & commissioning
- Bay Business Awards - Leisure Venue of the year
- Bay Business Awards - Health & Fitness Centre
- Bay Business Awards - Health & Beauty
- Celebrating Success - LCC Award
- Celebrating Success - Team of the Year
- Celebrating Success - Innovation & Enterprise
- SLC - Catering Team of the Year