

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: One Leisure Strategic Plan

Meeting/Date: Overview and Scrutiny Panel (Communities and Customers)
-1st March 2016.
Cabinet - 17th March 2016

Executive Portfolio: Councillor Robin Howe – Executive Member for Commercial Activities

Report by: Head of Leisure and Health

Ward(s) affected: All wards

Executive Summary:

The purpose of this report is to bring the Strategic Plans for the continued development of One Leisure during the period 2016-21 for adoption by Huntingdonshire District Council.

Recommendation:

1. That Members of Cabinet endorse and agree the proposed Strategic Plan for One Leisure 'Growing a healthy business'
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1. WHAT IS THIS REPORT ABOUT

- 1.1 The One Leisure Senior Management team, Portfolio holder and Corporate Director – Delivery have developed a strategic plan to guide the facility operations, development and identify strategic facility investment for One Leisure over the next 5 years.
- 1.2 This report will introduce Members to the strategic themes within the plan and the key steps the senior management team will take to ensure current growth and customer satisfaction is maintained and continues to improve.

2. BACKGROUND

- 2.1 One Leisure has moved through a period of development where its trading losses were approaching £1.5m per annum [with a cumulative cost of £8.8m over 10 years] to a [projected] surplus £345K position by the end of 2015/16. This has been achieved through the appointment of a new senior management team, rationalisation of staff and staffing structures, review and implementation of pay grades and the management of expenditure and capital investment with very tight controls in place. Moreover, a new emphasis has been placed upon customer acquisition and retention through innovative marketing and operation.

To support and provide structure to sustained growth, One Leisure has developed a strategic plan to guide senior managers and the business with a set of cohesive strategic goals that bind One Leisure aims and objectives to the golden thread running through the emerging Huntingdonshire District Council Corporate Plan for 2016-17.

- Supporting People,
- Enabling sustainable growth and
- Being a business-like council

3. STRATEGIC PRIORITIES

- 3.1 The vision and aims that One Leisure has adopted are as follows:-
 - It is the **Vision** of One Leisure to inspire our communities into more active, healthy and fulfilling lifestyles. This will be achieved through a varied programme that will include sport and recreational activities, entertainment and social events.
 - One Leisure aspires to be an outstanding provider of Leisure and Health opportunities that enables us to be the best that we can be which exceeds the expectations of our customers and staff.
- 3.2 There are three key strategic themes that are the pillars the strategy has been built around, these are:-
 - To care about our PEOPLE
 - To be a CUSTOMER focused organisation
 - To provide the FACILITIES and SERVICES that meets and exceeds customers' expectations.

Realising these goals will allow One Leisure to be commercially successful in delivering its business and meeting the strategic objectives of the plan.

3.2.1 What defines a “One Leisure Staff member”? **Our People.**

They are excellent, engaged, welcoming (smiling) people with the right attitude and training.

To create this culture, One Leisure will:

- Develop employee skills by providing them with opportunities to work at other sites and in other departments through cross site working-.
- Strive to become the employer of choice by recruiting staff effectively, seeking out potentially strong staff and then keeping and developing them.
- Through effective communication One Leisure will ensure that all team members are aware of standards, policies, procedures and their [the staff] responsibilities.
- Will set new service standards which will make all team members accountable.
- Will partner with a suitable organisation in order to develop an apprenticeships scheme that provides a vehicle to attract and train local people.
- Will develop a strategy to recognise and celebrate successes and achievements of individuals and of the business.
- Will establish work experience procedures and policy for all One Leisure sites to follow, providing a uniform approach and working together to attract work experience applications and using this as a tool to assist in identifying potential future employees
- Will recognise and fast track talent.
- Will continually investigate appropriate packages to recruit and retain excellent staff by developing remuneration packages that correspond to business aims.

3.2.2 To be a **CUSTOMER** focused organisation.

One Leisure aims to be recognised as a leisure business that is firmly committed to getting to know its customers better by listening to its key customers and local communities, meeting and exceeding expectations wherever possible.

3.2.2.1 Getting to know our **CUSTOMERS**

One Leisure registers in excess of 36,000 regular users [both casual and have membership] which represents some 20% of the population [@177,000 in 2013]. One Leisure currently attracts 6% [8,117] of the adult population to its membership scheme.

Sport England* has developed a market segmentation model which identifies traits, exercise levels, propensity to join in fitness and recreational activities and other factors influencing peoples use of their leisure time. Utilising the data provided by the segmental analysis, One Leisure can understand likes and dislikes of each segmental group and will use this to inform the marketing activities undertaken in their efforts to reach further into these groups.

One Leisure will use the segmental analysis to identify how best to approach each market segment.

Although One Leisure has some significant successes in attracting some of the segmented groups there are specific groups where additional work will be done to widen community interest in their products and services. Working closely with the One Leisure Active Lifestyles team the following groups have been identified as being under-represented as facility users, or where there is the potential for significant growth.

- **Children under 19**
- **Families with young children**
- **Young adults 19 to 30**
- **Older people [over 55]**

3.2.2.2 Growing the One Leisure **CUSTOMER** base

One Leisure will work with service teams to develop an activity programme to meet the needs of as many identified segments as practicable and then work with the marketing team to target specific user groups with pertinent media, method, delivery language and style to attract different segments and larger numbers into One Leisure Centres.

Focusing efforts towards retaining existing customers and seeking to target new markets which includes niche segments like cycling, younger people, the family unit and older people, we will achieve the growth we require to reach the top of our mountain.

- As the population expands, One Leisure will seek developer contributions to support the extension or refurbishment of One Leisure facilities to accommodate the population growth delivered by the new housing.
- One Leisure will work with developers on strategic sites to be the Management Operator of choice where sports facilities are delivered as part of the development e.g. Alconbury Weald.
- One Leisure catchment area has an ageing population and issues with adult and childhood obesity across the District exist.
- District population likely to reach 200,000, an increase of 30,000 people.
- As National participation trends in Swimming continue to fall, One Leisure will work with National and Local Bodies to maintain and develop swimming as an essential life skill.
- One Leisure will continue to be flexible in response to the changing population make up, seeking to acquire new customers through targeted marketing of the young, family groups and the ageing population.

3.2.3 To develop the quality of **FACILITIES** and **SERVICES** that customers expect.

One Leisure will continue to develop facilities, products and services to maintain market share and where feasible to lead in the provision of facility and equipment that meets and exceeds customer expectation where financially viable.

Seeking to understand what new and existing customers want and expect, One Leisure will provide a diverse range of functional, affordable and accessible facilities and services that meet and exceed the needs of the local community. These will be safe, clean, welcoming and maintained to a high standard.

One Leisure will:

- Maintain and protect existing market position by a planned preventative maintenance schedule and a redecoration plan to take in all areas of all Centres.
- Replace fitness equipment as existing equipment reaches the end of serviceable lifecycle
- Working with planning colleagues, seek developer contribution to support the extension or refurbishment of One Leisure facilities to accommodate the population growth delivered by the housing growth.
- Enter into joint ventures to establish Community Sport and Recreation facilities.
- Identify investment opportunities through the period of the plan.
- Growth will come from:
 - Improved and re-branded Group Fitness Classes
 - The addition of new Group Cycling and Virtual Fitness activities.
 - From the major planned improvements at OLH.
 - From a major review of the facilities at OLSI [outdoor]
 - From a potential refresh of all gym equipment.
 - From the management of additional facilities under contract, and as planned on new housing developments in the District
 - Hospitality.
 - Consideration will be given to the opening of several small, perhaps 24 hour specialist fitness gyms for hard core enthusiasts.

During the period of the strategic plan there will be a major review of the One Leisure St Ives Outdoor facilities which are seen as a major resource that is not meeting potential.

3.3 Being **COMMERCIALY SUCCESSFUL**

The financial plan has been built around the growth in the user base which will be a combination of new users and existing customers using the facility more often.

The financial plan will reflect the strategic investment (both revenue and capital) to support the growth agenda.

4 **KEY IMPACTS/RISKS**

4.1 No Impacts or risks identified for the purpose of this report

5. **WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

5.1 To underpin the implementation of the strategy an action plan will be developed which will feed into the annual service plan process to drive forward the delivery of the three strategic themes; our people, our customers and our facilities.

One Leisure staff have been engaged in separate themed focus groups to determine 'what does this mean' and what will 'being the best we can be' look like in reality, this will be fed into the action plan once the strategic plan is adopted.

- 5.2 The final plan will be presented to Overview & Scrutiny (Communities and Customers) on the 1st March, before it is recommended to Cabinet for approval on the 17th March.

6. LINK TO THE CORPORATE PLAN

- 6.1 The strategy when completed will link to all of the corporate objective, but specifically the following three

A strong local economy – Provision of employment opportunities for all sectors of the community. One Leisure being the employer of choice both within the sector and district.

Sustainable growth – Providing the right facilities to support the housing growth within the district. Linked to the District Sports Facilities Strategy

Working with our communities – providing a strategic framework that will deliver the right activities / facilities to the right people, at the right time.

Ensuring we are a customer focussed and service led Council – we will provide the right activities that customers want and will use on a regular basis

7. CONSULTATION

- 7.1 Ongoing Customer satisfaction surveys will be carried out throughout the period of the strategic plan. There will be an element of consultation with users over any recommended development at the Outdoor Centre.

8. LEGAL IMPLICATIONS

- 8.1 None arising as part of this report

9. RESOURCE IMPLICATIONS

- 9.1 None arising as part of this report, planned improvements come from self-funded revenue generation from surplus.

Summary financial plan 5 year strategy

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|-------------|------------|------------|------------|------------|------------|
| Revenue | £7,196,842 | £7,549,304 | £8,113,634 | £8,303,829 | £8,474,208 |
| Expenditure | £6,612,560 | £6,849,060 | £7,411,560 | £7,560,310 | £7,614,310 |
| Surplus | £584,282 | £700,244 | £702,074 | £743,519 | £859,898 |

10. OTHER IMPLICATIONS

- 10.1 None arising as part of this report

11 REASONS FOR THE RECOMMENDED DECISIONS

- 11.1 It is essential that One Leisure has a strategic plan in place to grow the business over the next five years. This plan is a blueprint of how this will be achieved. Growing the existing customer bases through targeted marketing, as well as through attracting new customers from housing growth.

12. LIST OF APPENDICES INCLUDED

- 12.1 Appendix I Summary of One Leisure Strategic Plan 2016-21.
Appendix II One Leisure Strategic Plan 2016-21.(Exempt)

BACKGROUND PAPERS

None

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