

BUSINESS PLAN

2019/2020



ACTIVE
Leisure Sport Wellbeing

0000001

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THE BUSINESS

Active4Today Ltd was launched on 1st June 2015 and will be entering its fifth year of operation on 1st April 2019. It is an independent company registered with Companies House, with Newark and Sherwood District Council being the single shareholder.

The business consists of three leisure centres, a sports development section and a headquarters, which collects and manages the finance of the business, including the in-house direct debits. In addition to these services, Active4Today Ltd provides administrative and management support to the Southwell Leisure Centre Trust and operates additional dryside provision out of Newark Academy and Bishop Alexander LEAD Academy, through service level agreements.

The Company is estimating a usage to the end of 2018/2019 of 1.2m visits, over its whole business. In addition, it has a direct debit membership base on 31st December 2018 of 12,641, which includes Southwell Leisure Centre (these figures include both adult and junior members).

The aim of the business is to focus on 3 distinct areas:

- Healthy and active lifestyles
- Accessible facilities
- Financial viability

The Company's unique selling point (USP) is that of a fully accessible service, which is family friendly and offers a wide range of activities to attract users from all age groups and all socio-economic backgrounds. The work of the Company, although complimentary, is split into three areas. These are:

- Leisure facilities
- Outreach work
- Club development

Leisure Facilities

Within these facilities, the leisure centres provide activities to various groups covering, children, adults, 60 plus, affiliated clubs and schools. These are subsequently split into three categories of pay and play, block bookings and direct debit memberships.

The leisure facilities are provided in Blidworth and Ollerton and also in Newark, with a partnership arrangement with the Southwell Leisure Centre Trust and their facility in Southwell. During 2017, partnerships were formed with Newark Academy, Barnby Road Academy and Bishop Alexander LEAD Academy Trust in a bid to expand the offer of the Company and improve health and fitness of the communities of Newark and Sherwood.

The offer is very different at each site, ranging from a wet and dry facility in Newark and dry only facilities at Blidworth and Ollerton. Currently there is no Active4Today operated wetside provision within the Sherwood part of the district, however, working in partnership with the Council, construction of a new swimming pool is planned to commence during 2019 with an opening of a new facility during 2020. In addition wet and dryside facilities are provided in

partnership with the Southwell Leisure Centre Trust. Finally, additional dryside facilities are provided within Newark in partnership with Newark Academy and Bishop Alexander LEAD Academy Trust. These have increased additional resources to the Company to provide increased activity opportunities for the community.

Outreach Work

Predominantly, this area of work is provided through the sports development section, either through direct provision or through partnership working with other providers, these include Everyone Health and Nottinghamshire YMCA.

The sports development team during 2018 has supported clubs and schools to access Satellite Clubs funding from Sport England via Active Notts. This initiative has provided much needed funding to develop links in the community, to develop their offer and broaden their activities to provide sessions for young people targeting the age group of 11-25 years old.

Club and Volunteer Development

The local sports forums are supported by the sports development team on a quarterly basis throughout the year, providing much needed secretariat, advice and support to volunteers and clubs through these meetings. Additional training and workshops are also co-ordinated to both maintain and improve the quality of community sports provision.

The work experience and VISPA volunteering schemes is a crucial tool to recruit new volunteers into sports activities both in clubs and leisure centres. This is particularly focussed on the 14+ age group, encouraging young people to get involved in volunteering in their community and gaining valuable experience and qualifications to potentially secure a job in the sports and leisure industry.

The sports development team works closely with national governing bodies and Active Notts to co-ordinate an annual programme of courses and workshops according to the needs of the volunteers and coaches. This has developed further during 2018/2019 and co-ordinated by working in partnership with a number of local authority areas in Nottinghamshire.

The team are also involved in planning for the future, particularly around demonstrating the demand for facility developments, the review of policy documents i.e. Physical Activity and Sport Plan, Playing Pitch Strategy and linking to the research and insight available from a variety of sources, including the Sport England Active People Survey and local health data.

OUTCOMES AND OBJECTIVES

As part of the business plan, outcomes have been identified, which focus on key parts of the business. Objectives have been identified to support the key outcomes of the business and form part of the day to day operations.

In addition to the financial aim of the Company, which is to maintain a service to the customer at a 'zero' management fee from the Council, the Company is committed to increasing participation in sections of the community who may not traditionally engage in physical activity.

Finally, the Company is committed to the provision of high quality services that provide value for money to the customer. This will be achieved through continuous improvement to the facilities.

The suggested objectives for the 2019/2020 are set out below and are linked to the overall outcomes of the Company. In addition, 3 objectives have been developed for the A4T business plan, which directly link and support, the Council's Physical Activity and Sport Plan, which was approved by the Leisure and Environment Committee during 2018.

OUTCOME	OBJECTIVE	ACTION
Healthy and active lifestyles		
Delivery of a business plan for Southwell Leisure Centre, to support its proposed strategic development	To develop a financial business plan for the SLCT, which will forecast income generation, investigate accessing new and existing markets, assess current penetration rates and develop new programming opportunities, to maximise access opportunities for all.	As part of the agreement with NSDC to provide management support to the SLCT through the SLA. Provide the SLCT with a strategy which will increase growth in the adult and children's memberships
Childhood obesity - develop and provide opportunities for 'young people in primary education' to increase levels of physical activity and sport.	Support the development and promotion of a Junior parkrun in the Sherwood area of the district	Engage with schools, event organisers and private operators, to promote the junior parkrun and develop a set of activities which surround and compliment the parkrun prior to its first months launch. This will seek to engage children in physical activity with parkrun as a potential free exit route to develop regular weekly activity
	Implementation of children's coaching in schools in the Ollerton area	Engage two schools per term. Prioritise schools in most need and by travel time from Dukeries Leisure Centre
	Work with partners i.e. Everyone Health to promote their initiatives tackling childhood obesity	Increase Everyone Health's bookings by 10% over a 12 month period
Inactive people - develop and provide opportunities for 'inactive people' to increase levels of physical activity and sport.	Identify communities with low activity levels	Promote the 3-year pricing strategy, specifically the new qualifying criteria for concessionary membership in deprived areas Develop a series of outreach activities linking to existing opportunities Offer 12 (one per month per site) free taster activities at centres
NSEC 6-8 - develop and provide opportunities for people living in high NSEC 6-8 target areas to increase levels of physical activity and sport.	Introduction of pricing strategy including additional qualifying criteria for concessionary membership	Increase take up of the concessionary memberships by 50% Offer 12 (one per month per site) free taster activities at centres Offer a FREE 7 day pass for all participants of the initial pilot of junior parkrun in Sherwood area
Accessible facilities		
Develop a business plan for a Modular Pool at the Dukeries Leisure Centre	Assist the Council with the feasibility and development work for the development of the new swimming pool at the Dukeries Leisure Centre.	Develop a 3-year financial forecast for the modular pool. Apply to Sport England for funding to support the capital development and

	This work should include the development of the finance for the delivery of the pool, the requirements for operations and the specification for the delivery of a community swimming programme.	fit out of the facility. Develop a 'wet side programme' which will engage with NCC for the return of school swimming within the Sherwood area. Develop a pool class timetable Develop a junior lifeguard academy Develop a marketing plan to the 3 - year pricing strategy Development and relaunch of the junior swimming programme
Improve community access through partner facilities and increase usage and access to local sporting facilities	Explore partnerships with other academy's to increase community usage through the use and management of their facilities	Using the Newark Academy pilot engage with two new partners during 2019/2020, with a view to supporting increased sporting facility take up throughout the district
Achieve a 3-year SLA with the Newark Academy	Agree a new 3-year SLA with the Newark Academy for undertaking the management of the facility to maximise community access. The 3-year agreement will secure the use of the facility for clubs and pay and play users until 2022. In addition, the sports development team will continue to provide mentoring opportunities for all students accessing leisure.	Have a signed SLA agreement in place by September 2019. Continue to achieve income and utilisation targets and add further growth with the introduction of courses and special events. Provide 15 work placement opportunities for students Provide VISPA volunteering opportunities for students
Financial viability		
Deliver a new receipting system for the business	To investigate the options of new receipting and back office systems for the business, in line with the requirements of the Council's capital programme and the procurement process. Develop a 'fit for purpose' integrated system which supports the Councils new financial management system.	Scope out the specification for new system by May 2019, in consultation with the business unit of NSDC. Assess the viability of a proposed new system and discuss this with the Council through the operating contract agreement
Implement a 3-year pricing strategy	Implement the 3-year pricing strategy within the District and support this with targeted marketing campaigns, encouraging usage in areas where traditionally usage may be low	Develop a schedule of promotional meetings to support the strategy First promotions to be in place during spring 2019. Increase target market memberships groups to include concessionary memberships
Develop a 3-year forecasted budget for the Company	To understand the implications of the real living wage on the budgets for the Company and the increased utility charges which are and will continue to impact significantly on the revenue position of the Company	Develop a 3-year forecasted budget for the Company and discuss the findings with the Council, with regards to the implications of the on-going management fee from the Council to the Company. This must also take into account the current partnership with the SLCT and the SLA between the Council and Company, to provide services to the Trust
Establish a new 3-year financial agreement with the Council for the Company's management fee	Undertake discussions with the Council to establish a new 3-year agreement with the Council for the management fee for the Company.	As set out above

	This will support the 3-year forecast which the Company is hoping to undertake to understand the Company's financial viability	
Implement on-line memberships	Currently the on-line membership package has been purchased and it is hoped that ICT can ensure this is installed and operationally ready for use from April 2019. Whilst this will not provide significant increases in memberships, it improves access for customers being able to sign up to any leisure centre 24/7 and streamlines existing sign up processes.	<p>Develop an online incentive scheme</p> <p>Develop digital marketing and branding of the online membership system</p> <p>Support the development of online membership, with a view to achieving 5% take up of memberships purchased online within the first 12 months of its introduction.</p>

Fig 1: proposed outcomes/objectives and actions for 2019/2020

CUSTOMERS

The business is made up of customers who access the service in many ways:

- Free of charge
- Pay and play
- Direct debit
- Club block bookings, both through invoice and direct debit

Customers are put at the heart of the business and current analysis developed using postcode information. This information is only available however, when customers access the facilities using their Active Card. The aim of the Company during 2019/2020 is to continue to increase the Active Card take up to gain the participation profile data and especially a new contactless initiative, which will form an integral part of the customer journey.

SERVICES AND COMPETITORS

The services are split into two areas which are indoor provision; provided by the leisure facilities and external provision; provided by the sports development section of the business. Within the leisure centres, the services are divided up into distinct areas, wetside provision and dryside provision. These are once more sub divided into fitness suites, sports hall hire, squash courts, club bookings and swimming.

In addition to the provision of leisure facilities, the Company also sells related saleable goods; these items are referred to as secondary spend. Prices for both primary and secondary items are determined through either a percentage increase based on the cost of purchase or through an assessment of the competition, affordability and the socio economics of the district and the residents who use the facilities.

The Company aims to ensure its pricing remains as competitive as possible and to achieve this process, compares both private and local authority offers within Nottinghamshire. However, as the vast majority of competitors are privately operated and several authorities are operated by commercial companies, this information is not openly available to Active4Today. As a result, the information used for this process will be developed on prices as of January 2019. Below is the

price comparison table of local authorities bordering Newark and Sherwood and private comparative competitors, operating within the district:

Area/Organisation and Provider	Direct Debit price per month	Range of services
Newark and Sherwood District Council: Active4Today Ltd	£29.00 - Adult £19.00 – Child	Fitness suite, swimming, classes, weekend racket sports Weekly swimming lesson
Rushcliffe Borough Council: Parkwood Leisure Ltd	£37.50 – Adult	Fitness suite, swimming and classes
Gedling Borough Council: In-house	£32.00 - Adult	Fitness suite, swimming and classes
Mansfield District Council: Serco Leisure	£25.95 - Adult £20.50 – Child	Fitness suite, swimming and classes Weekly swimming lesson
North Kesteven District Council South Kesteven District Council: 1Life	£29.00 – Adult	Fitness suite, swimming and classes
Bassetlaw District Council: Barnsley Premier Leisure (BPL)	£29.95 - Adult £22.00 – Child	Fitness suite, swimming and classes Weekly swimming lesson
Pure Gym – Mansfield	£9.99 – Adult	Fitness suite and classes
Anytime Fitness – Newark, Grantham & Mansfield	£32.95 – Adult	Fitness suite and classes
Sports Direct Fitness – Newark, Lincoln	£24.99 – Adult	Fitness suite, swimming and classes
Bannatyne Health Club – Mansfield	£44.00 - Adult	Fitness suite, swimming and classes
Arena Health & Fitness – Newark	£22.00 – Adult	Fitness suite
DW Sports Fitness – Mansfield	£23.00 – Adult	Fitness suite, swimming and classes
Fitness Flex – Mansfield	£32.95 – Adult	Fitness suite, swimming and classes

Fig 2: Price comparison table – January 2019 comparison

For 2019/2020, Active4Today have reviewed its current ‘core’ prices; these prices have also been supported by the proposed 3-year pricing strategy. Below are the current ‘core’ prices for the Company. Other prices change throughout the year as promotions and target marketing campaigns are undertaken.

Activity	Active Card holder Adult		Non Active Card Holder Adult	
	Current Price	Proposed Price	Current Price	Proposed Price
	2018/2019	2019/2020	2018/2019	2019/2020
Adult Membership	£29.00	£31.00	N/A	N/A
Badminton	£8.40	£9.00	£10.00	£11.00
Swimming	£4.00	£4.50	£5.00	£5.50
Squash	£7.00	£7.50	£8.50	£9.00
Fitness Suite	£6.00	£6.50	N/A	N/A
Fitness Suite Classes	£6.00	£6.50	N/A	N/A
Activity	Active Card Holder Junior		Non Active Card Holder Junior	
	Current Price	Proposed Price	Current Price	Proposed Price
	2018/2019	2019/2020	2018/2019	2019/2020
XP 1 Membership	£19.00	£20.00	N/A	N/A
XP 2 Membership	£23.00	£23.00	N/A	N/A
XP3 Membership	£27.00	£28.00	N/A	N/A
Student XP Membership	£17.00	£18.00	N/A	N/A
Badminton	£5.00	£5.00	£6.00	£6.00
Swimming	£3.00	£3.00	£3.50	£3.50
Squash	£4.00	£4.00	£5.00	£5.00
Fitness Suite	£3.00	£3.00	N/A	N/A
Fitness Suite Classes	£3.00	£3.00	N/A	N/A

Fig3: Proposed Core Prices for Adults and Children – 2019/2020

The Company is proposing minor increases in pay and play prices for adults, with no pay and play increase on junior pay and play activities. The main focus for the pricing is to encourage pay and play users to become direct debit members. This allows the Company to gain data from these users, which will ultimately influence the programmes and classes within the facilities. In addition, it assists the Company to understand the usage patterns of pay and play users and where possible ensure they are receiving the best value for money option available to them, which is applicable to their usage.

MARKETING

The 'Active' brand and series of marketing and promotional material have been developed in order highlight the different management arrangements in place.

To assist with the sustainability and growth of the business, the Company currently markets and advertises extensively

to attract and retain its customers and build the profile of the Company locally.



Improvements in retention are provided through a series of targeted communications throughout the building and direct marketing, reminding them of their original goals and why they joined the facilities, though the 'TRP' software package. In addition, A4T needs to ensure the experience which the customer receives, is supportive and that the commitment that was made by A4T is also delivered on.

The Company's website and digital marketing platforms have been used to promote and market the full range of services and during 2018/2019 the Company has linked the website with the front of house leisure bookings system. This will improve accessibility as well as enabling the customer to view and book activities on-line.

The website currently attracts an average of 50,000 hits per month. There are also approximately 4,000 bookings made on our online booking system every month for classes, allowing customers to access our services 24 hours per day, 7 days per week without having to call the centre. The Company has a part time Communications Officer in post and this person is tasked with promoting and leading on the digital marketing strategy and supporting the traditional advertising including newspapers, press releases and editorials.

The sports development team also work closely with Radio Newark and in particular on the Newark and Sherwood Sports Awards. This assists to help raise the profile of the local sports clubs, volunteers and individuals as well as the Company.

DEVELOPMENTS

ICT developments which are currently taking place and will continue throughout 2019/2020 include:

- Server upgrades and improvements
- Contactless access and entry
- Leisure front of house system
- Further implementation of StaffMis modules

The software applications identified above will assist the Company to be more efficient and provide a better experience to our customers.

STAFFING

To undertake the work, the Company has a team of dedicated individuals, led by a committed and passionate management team. The team has several years of practical experience within the leisure industry and this is supported by a sound academic base to ensure the practical knowledge is underpinned by professional qualifications. In the region of £20,000 is invested annually into training, continuing professional development (CPD) and maintaining staff qualifications. This is identified through the annual performance review, which all staff members are encouraged to engage with.

In addition to the training budget identified above, the Company is required to pay the Apprenticeship Levy and currently employs several apprentices. This enables the Company to 'ring fence' resources to recruit employees onto apprenticeships, providing valuable vocational training whilst achieving a recognised qualification from an accredited training provider.

PERFORMANCE MANAGEMENT

The Company is committed to ensure the performance of a variety of areas is achieved, aligning our resources, systems and employees to the strategic objectives identified earlier. Outcome based performance monitoring is now widely used and within that is the opportunity to provide narrative based performance evidence. The performance indicators are linked to the Council's strategic outcomes and have been developed with Members of the Leisure and Environment Committee, in order to build a performance framework. Following the review of the Council's

Sport and Physical Activity Plan, performance indicators have also been developed to ensure there is a clear synergy between the operations of A4T and the aspirations of the Council.

FINANCE

As part of the business planning process, the Company undertakes extensive and detailed work in producing accurate budgets. Currently this work includes direct debit income, pay and play income, external funding and club usage.

As set out during previous reports, the Company is making provision to develop reserves of £750K. This level of reserve will ensure resilience for the organisation, which supports the Company and Council to ensure Active4Today remains in a financially sustainable position. As members will be aware, the Company currently operates on a management fee paid by Newark and Sherwood District Council. Below is the proposed management fee for 2019/2020.

2019-2020 NSDC –Management Fee Requirements

NSDC Management Fee	Amount - Full Year
Sports Development Management Fee	£121,220
Southwell Leisure Centre Management Fee	£95,850
Total fee to be paid to Active4Today Ltd	£217,070

Fig 4: Financial Arrangements for 2019/2020