



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 March 2020
Agenda Item 9

Key Decision [No]
Ward(s) Affected: All Worthing

**Enabling our Communities to Thrive - Southdown Leisure Five Year Strategy
2020 - 2025**

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. To update members of the Joint Strategic Committee on the progress and performance of South Downs Leisure which was formed in 2015 following agreement to spin out a separate trust from Worthing Borough Council to manage the Council owned leisure assets and provide a comprehensive, cost effective, community based leisure offer for the residents and visitors to Worthing.
- 1.2. To provide information on the new five year business strategy which has been agreed as part of the Council's ongoing relationship with South Downs Leisure.

2. Recommendations

- 2.1. That the Committee grants authority to the Director for the Economy to;
 - a) manage all aspects of the relationship between Worthing Borough Council and South Down Leisure on the terms set out in the existing Funding and Management Agreement between SDL and the Council

- dated 1st May 2015, and to negotiate the additional terms for managing the football pitch and Durrington Community Centre;
- b) To vary the terms of the Funding and Management Agreement to incorporate the agreed additional terms; and
 - c) To note the contents of the report and request an update at a future date.

3. Context

- 3.1. South Downs Leisure (SDL) was created in 2015 following agreement by Worthing Borough Council to outsource the management of its leisure facilities to an independent entity. As part of this process South Downs Leisure, formed of and led by former Worthing Borough Council (WBC) employees and supported by an independent board of trustees, was created and was successful in bidding to be the operator of the Council's leisure assets.
- 3.2. These assets included:
- Worthing Leisure Centre
 - Field Place tennis centre
 - Splashpoint pool and leisure facility
- 3.3. During the first 5 years of trading, SDL also has operated smaller gym facilities at two other sites owned by third parties, these are
- Worthing College
 - Davison High School
- 3.4. In addition to creating a charitable trust, Southdown Leisure has created a commercial entity, the Southdown Leisure Enterprise, (SDLE) which runs commercial operations out of Field Place. A key part of this arrangement is to allow for commercial activity, which when successful, can gift funds to the Trust. This includes the provision of a high end Wedding venue offer at Field Place, to residents and visitors to the town.
- 3.5. As part of the Funding and Management Agreement (FMA) which guides the relationship between WBC and SDL, the Trust created a five year business plan that commenced in 2015. We are now at the point when SDL will embark upon the next phase of their development and delivery. Consequently SDL, as required under the FMA, have created and submitted a new five year plan which has been agreed. This is attached at Appendix A. The Trust also provides officers with a more detailed annual plan and meets quarterly with the strategic lead within the Council (formerly the Director for Communities now the

Director for the Economy) to ensure there is regular dialogue at a strategic level, that matters relating to maintenance and capital investment are planned and addressed, and critically to ensure that there is excellent partnership working between the Council and the Trust.

- 3.6. These liaison arrangements ensure that the communities of Worthing continue to enjoy and are able to access a comprehensive and affordable leisure offer within the borough of Worthing, and create the environment to support the success of the Trust and the wider objectives of the Council, particularly around health, wellbeing and our tourism and leisure offer.

4. Issues for consideration

5.

- 4.1 In the five years since the Trust was formed, SDL and WBC have developed a way of working that allows for collaboration, partnership and future focus, whilst recognising that the two organisations are now separate. The attached five year Strategy highlights many of the successes and challenges faced by SDL in this period and how the organisation aims to further develop its offer to the residents and visitors to the borough.

Key Performance Indicators: 2015 - 2019

- 4.2 The Council receives a quarterly report set against key performance targets originally outlined in the 2015 plan. Performance against those targets for 2019 are as follows:

KPI 1: Increase participation

Target: 1% increase per year based on 1.48m in 2015
Approx. 1,536,000 people visited SDL centres in 2019

KPI 2: Promote an active and healthy lifestyle

Target: Swim lessons to average at 1600 per week
Swimming lessons in 2019 were at 2010 per week

KPI 3: Engaging with younger members

Target: Average number of Junior Fit4 1900-2100
FIT4 Juniors are currently 2100

4.3 However, these are fairly narrow performance indicators of the health of a business or the strength of the customer offer. Therefore other measures and matters are regularly reviewed with SDL, these include Quest scores, the industry's quality standard; health and safety reports and audits; and customer feedback. Details on some of those outputs for the last five years are shown in the table below:

Year/ Audit	2014	2015	2016	2017	2018	2019/20 target
H&S WLC	75%	84%	90%	91%	91%	93%
H&S SP	74%	90%	92%	93%	87%	93%
H&S DLC	85%	91%	88%	86%	87%	93%
H&S FP	86%	92%	90%	94%	93%	93%
Quality WLC	63%	75%	88%	91%	91%	90%
Quality SP	69%	85%	90%	91%	91%	90%
Quality DLC	65%	68%	82%	90%	84%	90%
Quality FP	65%	73%	78%	89%	86%	90%
Quest WLC	<i>GOOD</i>	78%	<i>n/a</i>	<i>Very Good</i>	<i>Excellent</i>	<i>Excellent</i>
Quest SP	<i>GOOD</i>	78%	<i>n/a</i>	<i>Excellent</i>	<i>Excellent</i>	<i>Excellent</i>
Quest DLC	<i>Satisfactory</i>	60%	<i>Very Good</i>	<i>Very Good</i>	<i>Very Good</i>	<i>Very Good</i>
Quest FP	<i>Satisfactory</i>	77%	<i>Very Good</i>	<i>Very Good</i>	<i>Very Good</i>	<i>Very Good</i>

It is extremely positive to see the overall improvement in all areas and worth noting that year on year targets have been stretched, hence what was on target/green in 2016 will be assessed as amber now.

4.4 Other key indicators of the successful development of the business include the myriad of community health and wellbeing activities promoted and led by SDL. Many of these are highlighted in the strategy document and include working with our local businesses, statutory and third sector partners. The Trust supports the delivery of a wide range of opportunities for people to engage in and with their

community, whilst improving their health and wellbeing. Recent developments include:

- Funding received by SDL to deliver four Disability Silent Discos - Inclusive nights out at Worthing Leisure Centre
- Junior parkrun to be hosted at Worthing leisure Centre with the start date being 26th January 2020 - 140 children attended the first meet.
- Partnership with Meadowfield Hospital to deliver mental health yoga sessions
- Partnership with Sussex Recovery College & Volunteers to deliver a mental health run club
- SDL support fundraising events for Green Dreams and other local charities, the SDL charity for 2020 is Worthing Community Chest
- Launch of the GP exercise referral scheme in August 2019, at the end of 2019, 40 people were on the scheme and 5 others had completed a 12 week programme

Financial Performance

- 4.5 Over the period that SDL has been a separate entity the leisure market in Worthing has transformed, particularly with the emergence of budget gyms in every high street. This has clearly impacted upon the SDL business model and in 2020 the organisation is looking at ways of addressing this through how it delivers its services, its marketing and customer offer, as outlined in the attached strategy.
- 4.6 In the first 5 years of the contract arrangement, despite these challenges, the business has performed well and the Trust has been able to invest in the business in a variety of ways. Across the 2019/2020 financial year the Trust will have invested £238,000 in a variety of projects including: actions to soundproof bar areas, an IT replacement programme, a new HR and Payroll system, a new Booking system and App, as well as new sports and leisure equipment.
- 4.7 The table below shows the actual and predicted out turn position for SDL over the first 5 years of this contract. In 2018/2019 the Trust's Risk Reserve reached the level at which a 'gain share' was paid to the Council as per the Funding and Management Agreement. These funds will be used to support the delivery of the services going forward

SOUTH DOWNS LEISURE	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Actual	Actual	Actual	Forecast
Income	5,749,554	6,495,754	6,531,334	6,453,740	6,130,826
Donation from SDLE	128,586	130,390	0	0	0
Depreciation	91,071	103,855	117,043	132,416	131,982
Expenditure	5,351,083	6,326,080	6,411,080	6,150,687	5,982,617
Management and Admin Fee	20,243	23,036	26,004	26,844	27,108
Surplus/(Deficit)	415,743	173,173	(22,793)	143,793	(10,881)

4.8 In addition to the above South Downs Leisure Enterprise, that runs commercial business activity from Field Place, has been operating and has regularly gifted funds to the Trust. Clearly the financial health of this business is critical to the overall success of SDL. The table below shows the current reserves position for SDLE.

SOUTH DOWNS LEISURE ENTERPRISE	2015-16	2016-17	2017-18	2018-19	2019-20
RESERVES	Actual	Actual	Actual	Actual	Forecast
Reserve Additions	13,206	8,061	11,991	83,052	96,823
Reserve Expenditure	0	0	0	0	0
Reserve Total	13,206	8,061	11,991	83,052	96,823
Reserve Cumulative	13,206	21,267	33,258	116,310	213,133

4.9 Since 2017 SDL has successfully achieved the following prestigious awards:

- The Worthing Business Awards for Leisure & Tourism in November 2017 & 2018
- The Wedding Industry Awards for South East of England (Town & City) Venue of the year 2018 & 2019
- The Wedding Industry Awards National Winners (Town & City) venue of the year 2020

Repairs and Maintenance

4.10 As part of the FMA there is a Service Level agreement that relates to the day to day maintenance and repair of the facilities. Certain undertakings being the responsibility of SDL, others being the responsibility of WBC.

4.11 As a rough guidance, all building, mechanical and electrical services and works to fixtures are mostly the responsibility of WBC. The Service Level Agreement is a detailed schedule that identifies the individual responsibility for maintenance.

4.12 South Downs Leisure will for example have responsibility for small scale maintenance, repair of sports and gym equipment, building compliance servicing and maintenance, eg : Fire alarm testing, Portable Appliance testing, Pool water quality testing.

4.13 The Service Level Agreement is reviewed annually.

4.14 Regular liaison meetings are held between SDL and WBC Officers to discuss maintenance works. All maintenance and repair requests from SDL are reported to Technical Services via an electronic works ordering system and logged and prioritised.

Capital Investment

4.15 WBC is responsible for the fabric and capital investment in its leisure assets and since 2015 has invested nearly £1 million in the following improvement works

Project	2015/16 Spend £	2016/17 Spend £	2017/18 Spend £	2018/19 Spend £	Total Spend £
Field Place - refurb of main house toilets.	45,612.40				45,612.40
Field Place - Replace asphalt roof	15,385.00				15,385.00
Field Place - Fire alarm replacement	32,870.00	6,780.00	64730.10		104,380.10
Field Place - Car Park Extension	104,588.82	16,252.92			120,841.74
Worthing Leisure Centre - replacement of service pipework	5000.00	160,958.32	107,961.18		273,919.50
Worthing Leisure Centre - Glazing renewal	5550.00	3,144.08	47,521.57		56,215.65
Worthing Leisure Centre - Replacement of main hall flooring		126,112.43	33,105.00		159,217.43
Worthing Leisure Centre - Replacement of fire alarm system		6,780.00	64,730.10		71,510.10
Worthing Leisure Centre - Athletics track refurbishment			5,400.00	117,120	122,519.63

Total £969,601

4.16 Each year, as part of the regular liaison between SDL and WBC, South Downs Leisure are asked to identify and submit their own projects/schemes for funding from the Council's Capital Investment

Budget. The Technical Services team will also include in this bidding process items they are aware of that relate to the condition of the buildings and the responsibility of Worthing Borough Council under the Service Level Agreement.

- 4.17 These projects are triaged and scored in accordance with the Capital Investment Budget and where agreed, will be submitted for approval to the Joint Strategic Committee at the end of the calendar year.

5. Current and Future Opportunities and Developments

- 5.1 Throughout 2019 a number of key developments have taken place that will affect and aim to enhance the role of SDL as a key leisure and health and wellbeing partner for the long term. These include:
- 5.2 The development of the *Adur & Worthing Activities Strategy* - led by the Communities and Wellbeing team and supported by stakeholders from across a number of sectors, including the NHS; WSCC (public health and communities); education, leisure and voluntary providers and many others, is a shared and partnership owned Activities Strategy that is being developed for Adur and Worthing. The final version of the strategy is currently being drafted and should be agreed with stakeholders within the next 2-3 months ready for a public launch. A steering group of council officers, members and partner organisations, chaired by Duncan Anderson, Chief Executive of SDL will oversee the delivery of this strategy for Adur & Worthing.
- 5.3 As part of developing the Worthing Local Plan and contributing to the review of the Adur Local Plan the Councils have commissioned consultants to review and provide intelligence and data to support long term planning to meet our future needs for *Open space, Sport and Recreation* across our places. This will enable both Councils to create a Sports Strategy that addresses the future and long term physical asset strategy for different types of sport and recreational facilities, as well as support the future relationship with our key providers. Both the Leisure Trusts have been actively involved, attending Working Groups and being consulted on different strands of the work including the Playing Pitch Review and Built Facilities reports.
- 5.4 Based upon the strategic assessment of needs and demand at a strategic and local level, Worthing Borough Council has embarked upon a project to replace/develop the *Worthing Leisure Centre* site in recognition of the key role this facility plays in the town and the growing

demands placed upon an ageing facility. It is anticipated that options for the Leisure Centre will be brought forward later this year.

5.5 As part of the West Durrington housing development, WBC negotiated the provision of a Community Centre to be located adjacent to a new school and sports facilities (including a new football pitch and a multi use games area). In 2019, following local consultation and an open procurement process, it was agreed to work with SDL to deliver a Community Health and Wellbeing centre in West Durrington, that will compliment the provision by SDL elsewhere. It is hoped the building of the centre will begin in June 2020.

5.6 In December 2018 Worthing Borough Council agreed to support a bid to the Football Foundation for funding of £500, 000 and match funding from S106 monies of £340, 000 for the creation of a 3G football facility at Palatine Park. This facility, if constructed, will create much needed all round, all weather, football and training facilities for Worthing Town Football Club, but will also crucially, extend the opportunity to the wider community to be involved in football at all levels. The options to manage this facility, whilst ensuring the ambitions of the Football Foundation (if grant funding is agreed) are achieved, were that council officers, Worthing Town Football Club or a third party, manages the facility. Having reviewed the costs and benefits of each option, the Council will be submitting a bid that uses SDL as the managing agent for the facility as this represents the best and most cost effective way of

- Managing the day to day running of the facility
- Managing the key relationship with WTFC and
- Ensuring the wider objectives of any successful funding application are fully achieved.

The plans for the facility were approved at the WBC planning committee meeting in January 2020 and the final bid for funding will be reviewed by the Football Foundation in April 2020

5.7 Included in the SDL five year Strategy attached to this report, are also a range of future development plans and key performance objectives which have been discussed and agreed with officers. These include objectives that align to the Councils recently agreed '*Platforms for our Places - Going Further*':

- Change Lives through Health and Wellbeing - Thriving People and Communities

- Grow an Ethical and Sustainable Business - Prosperous Places/Tackling Climate Change
- Creating an Exceptional Customer Experience - Good Services and Solutions
- Develop our staff and volunteers to be the best - Good Services and Solutions/Thriving People and Communities
- Build Strong Communities and effective partnerships - Thriving People and Communities/Leadership of Place

These objectives and associated KPIs, along with any specific additional reporting requirements placed on the Council as a result of funding bids or other agreements, will continue to be reviewed on a quarterly basis.

6. Risks and Issues

6.1 Within the five year strategy SDL highlight a number of issues and risks, the key joint issues are also highlighted below:

Risk	Impact	Mitigation
Competition in the Leisure industry	Financial sustainability of the business and/or WBC having to find another provider Ability to recruit trained and suitable staff is reduced	Regular review of financial planning and strategies to manage costs, increase income and achieve business objectives. Continued joint working, where appropriate and within the bounds of the FMA to support the community led delivery of sport and leisure facilities across WBC
Management of repairs and maintenance (Older facilities)	Older facilities can become costly to repair and maintain Older facilities are less easy to manage in terms of becoming carbon neutral	Effective use of Condition surveys and other data to create annual planned maintenance regimes
Management of repairs and maintenance (New facilities)	Whilst newer facilities can take advantage of a wide range of technologies, the long term management of these has caused issues e.g Splashpoint Leisure facility has certain innovative elements, which are costly to maintain and which if not addressed quickly, have a knock on effect on the daily operations of the business	Daily contact between parties Future planning for reactive and planned maintenance Ensure learning is captured for future procurement and facility management

7. Engagement and Communication

- 7.1 The strategic lead for the Council (now the Director for the Economy, previously the Director for Communities) meets with the Chief Executive of SDL and the SDL senior leadership team on a quarterly basis. These meetings allow both parties to formally review progress against the FMA, review any issues or concerns regarding the day to day relationship, and look to future opportunities and plans.
- 7.2 Colleagues from SDL are very active partners across the Borough and attend and actively contribute to a range of partnership meetings and networks, hosted both by the Council and others. These include being represented at:
- A&W Health and Wellbeing Partnership
 - A&W Activities Strategy
 - Thriving Connections - reducing social isolation and loneliness project
 - Worthing Local Community Network (NHS)
 - GreenDreams Festival

8. Financial Implications

8.1 Current fee and future increases

The Council currently receives £81,548 plus CPI per annum from SDLT trust as a service fee, in 2018/19 this totalled £83,016. Looking ahead, the 2020/21 fee will be based on the fee for 2019/20 plus an annual inflationary increase based on the Retail Price Index.

8.2 Maintenance

Under the terms of the agreement, the Council has retained responsibility for the elements of maintenance of the buildings. As the facilities age, the maintenance costs have increased and are currently exceeding the revenue budget with an expected overspend of £205k in 2019/20. The nature of some of the technologies at the pool, make this particularly expensive to maintain. As part of the development of the 2020/21 budget, the maintenance budgets have been increased by £50k, however the Council will need to consider increasing these further for the 2021/22 budget based on an analysis of the spend over the past three years.

8.3 Reserves and sustainable business models

The emphasis within the current agreement is to provide the Trust with a sustainable level of reserves so that the Trust can adequately manage business risk. The Trust now has a risk reserve of £560,000 and improvement reserves of £301,015.

Under the terms of the current agreement, the Trust can build a risk reserve of £560,000 before the Council is entitled to an income share. In 2019/20, the Council for the first time received a gain share payment of £52,674 (£43,895 net of VAT).

It is proposed that in future, the amount held in the risk reserve can be increased to reflect the risks currently experienced by SDLT by mutual agreement. This would have the effect of formally varying the contract.

In addition to the risk reserve, the Trust places £100,000 of any profit into the Business Improvement Reserve prior to any income share calculation. The purpose of this reserve is to ensure that the Trust has sufficient funds to improve the facilities to ensure that at the end of the contract, the buildings are in a similar condition to that when they were transferred to the Trust.

9. Legal Implications

- 9.1 The contractual relationship between the Council and South Downs Leisure is governed by the terms of a Funding and Management Agreement dated 1st May 2015 (the FMA), as agreed between the Parties. It is intended that the FMA will be varied by agreement to include the additional terms agreed for the management of the proposed football pitch at Palatine Park and the Durrington Community Center.
- 9.2 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.
- 9.3 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

- 9.4 Section 1 of The Local Government (Contracts) Act 1997 empowers the local authority to enter into a contract for the provision of or the making available of, assets or services or both, for the purposes of and in connection with, the discharge of the function by the local authority.
- 9.5 S1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation

Background Papers

- Previous Reports - Report Dated 24/06/14 Agenda Item 10, delegating the implementation of the Trust timetable to the Director for Communities in consultation with the leader on the proposals attached to the Report.

<https://democracy.adur-worthing.gov.uk/Data/Joint%20Strategic%20Committee/201406241900/Agenda/media,124893,en.pdf>

Decision/JSC/012/14-15

<https://democracy.adur-worthing.gov.uk/Data/Joint%20Strategic%20Committee/201406241900/Agenda/media,125434,en.pdf>

Report and the Minutes JSC 31st March 2015 recommendation to transfer Worthing Borough Council's Leisure Services to South Downs Leisure Trust, in accordance with the terms of the management agreement, with effect from 1st May 2015.

<https://democracy.adur-worthing.gov.uk/Data/Joint%20Strategic%20Committee/201503311830/Agenda/media,132499,en.pdf>

Minutes JSC 31st March 2015

<https://democracy.adur-worthing.gov.uk/Data/Joint%20Strategic%20Committee/201503311830/Agenda/media,132778,en.pdf>

- Platform for our Places 2020 'Going Further'
- SDL 2020-2025 Five Year Strategy (Appendix 1)

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Sustainability & Risk Assessment

1. Economic

- South Downs Leisure contribute to the economy of WBC through their varied offer of leisure and other wellbeing activities

2. Social

2.1 Social Value

- South Downs Leisure is a not for profit charity with core objectives of improving social and wellbeing outcomes

2.2 Equality Issues

- South Down Leisure actively promote inclusive practices and support the health and wellbeing of people of all ages and abilities.

2.3 Community Safety Issues (Section 17)

- Considered nothing specific to address.

2.4 Human Rights Issues

- Considered nothing specific to address

3. Environmental

- South Downs leisure are actively promoting behaviours and business objectives that compliment the Council's stated ambitions around sustainability and responding to the Climate Emergency

4. Governance

- Governance arrangements are outlined in the report

2020 - 2025 Business Strategy



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WELCOME

The purpose of the strategy is to communicate our long-term vision and aims; together with our values and key objectives for South Downs Leisure's service delivery over the next five years

South Downs Leisure was established in 2015 and already has a track record of success in delivering Health & Wellbeing initiatives and leisure opportunities across our facilities for local people. The facilities managed by South Downs Leisure are:

- Worthing Leisure Centre
- Splashpoint Leisure Centre
- Davison Leisure Centre
- Field Place Manner House
- Tarring Tennis Courts

Field Place Manor House predominantly offers a venue for weddings, corporate hire and functions, and this is not seen as a charitable part of our business and is therefore run by a wholly-owned subsidiary.

Now in our fifth year, it is a good opportunity to briefly look back on our journey so far, celebrate some of our key achievements and summarise the challenges ahead.

LOOKING BACK

Since becoming a Trust in 2015, we have achieved over £1m of savings to Worthing Borough Council whilst increasing services and facilities. At the same time, South Downs Leisure has invested over £800,000 at venues on capital projects which include: (See Appendix I)

- Wedding garden at Field Place
- Refurbished changing rooms and new fitness equipment
- Introducing a new Immersive studio
- New flooring to a studio and sports hall flooring
- IT hardware replacement; telephony and software

During the same period, we have seen Worthing Borough Council continue to invest over £930,000 which has included: (See Appendix I)

- New heating at Worthing Leisure Centre
- IT communications room at Splashpoint
- Running Track
- Car park extension at Field Place

We have established our head office at the award-winning wedding venue Field Place with our HR, Finance and Senior Executive team based there.

We have seen our Quest score increase from 'Very Good' to 'Excellent' at both Worthing Leisure Centre and Splashpoint Leisure Centre and our Net Promotor Score (NPS) increase across South Downs Leisure from 21% to 41%, compared to the national average of 28%.

South Downs Leisure has been extremely successful in winning industry awards:

- 2018 Hospitality Tourism & Leisure for South Downs Leisure
- 2019 Hospitality Tourism & Leisure for Field Place Manor House
- 2019 Wedding Industry awards for Field Place, Wedding Venue of the Year award Town and City for the South East of England.
- 2020 Wedding Industry awards for Field Place, Wedding Venue of the Year award Town and City for the South East of England.

As well as maintaining good relationships with a number of organisations, South Downs Leisure has developed new partnerships, some of which are listed below.

- **Meadow Field Hospital**
 - Delivering mental health yoga sessions
- **Coastal Mind West Sussex**
 - Mental health Yoga sessions and training sessions for staff on mental health first aid
- **Dementia**
 - We became a dementia-friendly organisation in 2017 and continue to train over 50% of all front of house staff in dementia awareness
- **Sussex Food Pioneers – Honey Collective**
 - We have beehives at two of our sites and have started running courses for the community and staff in Bee Keeping
- **Short Breaks**
 - Delivering Accessible open days for children with learning difficulties or disabilities and providing respite for carers
- **Worthing good gym**
 - We helped fund, set up and recruit the Worthing GoodGym initiative which maintains its base at Splashpoint LC
- **The local parkrun**
 - We support Worthing parkrun facilitating their core team meetings, storage for equipment, use of a defib in emergencies and general support every Saturday, Christmas and New Years Day.
-
- **Green Dreams Festival**
 - In 2016, we set up a festival that now attracts over 2,000 attendees and 50 different community organisations
- **Worthing Homes**
 - We have worked closely to bring exercise into the community

LOOKING FORWARD

A five-year strategy is crucial to guide us in making the right decisions and enable South Downs Leisure to further engage local people and organisations, invest in health and wellbeing and identify new opportunities.

Developing strategic partnerships and focusing on quality, not quantity is fundamental to any success. We recognise that a greater understanding and collaborative working between Worthing Borough Council and South Downs Leisure could support both organisations. There is an opportunity for South Downs Leisure to operate more facilities in the Borough freeing up resources for the local authority.

We will be working with Worthing Borough Council to deliver a project at Worthing Leisure Centre and potentially, see a significant investment in Worthing's largest leisure facility. South Downs Leisure will consider expanding or operating new facilities and contracts if the opportunity fits well with our principles of growth in Appendix D.

During the next five years, we want to be everyone's first choice for Leisure & Physical Activity in Worthing. We believe this can be achieved through our Mission Statement "*creating healthy, engaged and active communities*".

Our overriding vision is to encourage and support the community to get "*more people, more active, more often*" To achieve this we have made it our mission to create healthy, engaged and active communities

ABOUT US

South Downs Leisure was formed in 2015 to operate leisure facilities on behalf of Worthing Borough Council. We employ over 400 staff with more than 90% living in either the Adur District or Worthing Borough. We are responsible for delivering leisure services and public health initiatives in partnership with Worthing Borough Council, West Sussex County Council, Chichester College Group and various other local organisations.

We operate six sites in Worthing with more detail found in (Appendix G).

There are 11 Trustees on our Board, all of whom are local volunteers with a wide variety of professional backgrounds and experience. Two of the trustees are local councillors.

Our facilities are all currently within the Worthing Borough and Impulse Leisure operate most of the leisure facilities in the Adur District.

Worthing is densely populated between the sea and the South Downs National Park, two natural assets that could be exploited for greater leisure use in the future. Whilst this limits our catchment area it also means there are no competitors in the south and people are less likely to travel north. There are approx. 110,000 people living in the Worthing Borough and approx. 70,000 people living in Adur to the East of Worthing.

Worthing has a target to build over 500 homes a year for the next 15 years and this would increase the population by 2035 to over 125,000.

We currently have a membership base in Worthing of approx. 9% of the population with 9,500 FIT4 memberships. This membership is spread quite evenly across all age groups except the over 60's where we have low representation compared to the local demographics.

% of people inactive for less than 30 minutes

Active Lives survey	2017-18
Worthing	24.7%
Adur	23.4%
Arun	26.0%
England	25.1%

COMPETITION

Our competition varies depending on the product. However, our main services for the charity are swimming and fitness and our price is from £35-50 a month. The competition around this will not generally stretch beyond 6 miles of the main centres so in this case Littlehampton – Lancing.

Our main competition:

Competition	Price	Location	Miles	Gym	Group ex	Swim	Rackets	24hrs	New comp
David Lloyd	£80+	Durrington	2 miles	●	●	●	●	X	
Lanes	£60+	Rustington	6 miles	●	●	●	X	X	
Impulse Leisure	£35+	Lancing	4 miles	●	●	●	●	X	
Freedom Leisure	£35+	Littlehampton	8 miles	●	●	●	●	X	Opened in 2019
The Gym Hub	£20	Worthing	0 miles	●	X	X	X	●	Opened in 2017
The Gym Group	£15-£20	Worthing	0 miles	●	X	X	X	X	Opened in 2018
Anytime Fitness	£30	Worthing	0 miles	●	X	X	X	●	Opened in 2017
Eco Gym	£30+	Lancing	2 miles	●	X	X	X	X	Opened in 2016
Three Sixty Fitness	£30+	Shoreham	6 miles	●	X	X	X	X	Opened in 2017
Optimus Gym	£30	Rustington	6 miles	●	●	X	X	X	Opened in 2019
Ocean Fitness	£30	Worthing	0 miles	●	●	X	X	X	
Trax Fitness	£25	Worthing	0 miles	●	X	X	X	X	
FIT4	£35-£50	Worthing	0 miles	●	●	●	●	X	

Competition comes in form of cinemas and bowling alleys on a wet day and the natural resources of the sea and South Downs on a sunny day.

We have also completed a similar exercise to the table above for weddings and the Enterprise.

	Day capacity	Evening capacity	bridal suite?	outside ceremony?	photo booth	room night before	collect day after?	accomodation	deposit cost?	Venue Hire	inhouse or catering company
Wickwoods country club	80	200	yes	no	no	yes	10am	5 guest rooms	£1,600	£3,100	yes
Nymans gardens	45-100	N/A	N/A	yes	N/A	yes	1-2 days	N/A	£2,040	£2,400	no catering + no corkage charge
Pangdean old barns	180	200	no	yes	no	no- EP's help set up	1-2 days	no	£2,000	£6,720	inhouse- no corkage charge
South downs manor	150	220	yes	yes	no	no	10am	14 guest bedrooms	£600	£3,500	yes- lots of packages
upwaltham barns	150	200	yes	no	no	if no event on	10am	no	£1,550	£6,200	nibbles to nosh + No corkage charge
Farbridge	135	200	yes	no	no	no	10am	7 guest rooms+	£3,000	£6,400	yes
Cissbury barns	120	200	no	no	no	no	10am	no	£2,600	£6,500	choice of 8 different caterers in house. All drinks provided by them
High down vineyards	92	120	no	no	no	yes	yes	no	£800	£5,325	
Worthing Dome	50	190	no	no	no	if no event on	yes	no	£500	£2,250	yes
fitzeroi barn	120	250	no	no	no	yes	yes	no	£1,500	£4,750	choice of 8 caterers
Two woods estate	80	120	yes	yes	no	no	yes	no	£1,200	£4,800	no caterers, no kitchen. Can bring
Selden Barns	100	300	yes	no	no	if no event on	yes	9 guest rooms	£500	£5,700	choice of 5 different caterers.
Castle Goring	100	200	yes	yes	no	no	yes	no	£1,600	£6,400	2 potential caterers, usually
Field Place Manor House & Barns	120	200	no	yes	yes	yes - if available at	yes, all boxed up	no	£400	£4090 (S.Barn &	Hardings

The above tables were correct as of May 2019

PURPOSE

At South Downs Leisure we do more than just physical activity we also encourage and facilitate activities that enhance mental wellbeing which in turn can help keep people happy and healthy.

Our overall purpose is to be the Council's partner of choice supplying sports, leisure and health and wellbeing services and facilities to all the community.

Demographically we will focus on opportunities in Worthing & Adur and the surrounding boroughs which include Brighton & Hove, Horsham and Arun and the opportunities would need to fit into our Principles of Growth. (Appendix D)

At South Downs Leisure Enterprise, we would also aim to be the partner of choice for the Council however the services we provide under the Enterprise could have a much wider remit. At this stage, we would primarily be looking at potential wedding and conference venues.

Demographically for the Enterprise we would focus on the whole of Sussex, as the catchment for weddings and conferences is much greater than that of a leisure facility.

OUR VISION

More People, More Active, More Often

OUR MISSION

To deliver an inclusive range of health and wellbeing initiatives whilst providing a clean safe and happy leisure experience.

OUR VALUES

Integrity & Attitude: we will be open, honest and friendly when communicating with customers and partners, treating everyone with respect.

Equality, diversity & inclusion: we aim to ensure that the opportunities the Trust provides are accessible on a non-discriminatory basis and provide maximum health and wellbeing benefits for all.

Continuous Improvement: we will strive to make the experience of users and visitors better by continually reviewing our activities and procedures.

Partnership working: we will develop and sustain strong and effective partnerships with local and national organisations in pursuit of our vision: More People, More Active, More Often.

Innovation: we will explore the introduction of new products and services, driven by technology, industry research and best practice.

Staffing: we will ensure that all our staff are professionally qualified and/or appropriately trained to deliver the service required and respond effectively and quickly to customer enquiries.

Environmental Awareness: we will endeavour to be an environmentally conscious organisation and will continually review our services to ensure best practice.

LINKS TO LOCAL AND NATIONAL TARGETS

Our Mission, Vision and key objectives are developed through a combination of National, Regional and Local Plans.

These include:

The Worthing Health Profile and Joint Strategic Needs Assessment (JSNA)

The health of people in Worthing is generally similar to the England average. About 13% of children live in low-income families, life expectancy for both men and women are similar to the England average. Life expectancy is 8.7 years lower for men and 8.5 years lower for women than the average in the most deprived areas of Worthing which are Heene and Central wards

- In addition, for Year 6 children, 18.1% are classified as obese.
- Self-harm hospital stays are worse than the average across England

The key priorities for Worthing are to improve community-based approaches to mental health, reduce social isolation and loneliness and promote healthy lifestyles/behaviour changes. For more information on this jsna.westsussex.gov.uk

Worthing Borough Councils “Platform for our Places – Going Further”

This is a document developed by the Council which sets out how over the next three years from 2020 the Council intend to create the essential platforms for prosperous, healthy, happy and connected communities. They have divided Platform for our Places into five key areas which are;

- Prosperous Places
- Thriving People and Communities
- Tackling Climate Change and supporting our natural environment
- Good services and new solutions
- Leadership of Place

Adur & Worthing Public Health Strategy 2018-2021

This document builds on a previous strategy focusing on key areas of concern identified by local stakeholders. The Vision is for everyone to get a good start in life, live well and age well, which could help contribute positively to the creation of enterprising and thriving communities. The five priorities are;

- Opportunity to enjoy good mental wellbeing and emotional resilience
- Contribute to improved environmental sustainability
- All can access and make use of our open spaces
- All have the opportunity to enjoy a healthy lifestyle
- All enjoy good social connections via purposeful activity at all stages of life

Adur & Worthing Physical Activity Strategy 2020

This document focuses on starting well in life, living well and ageing well. It has recommendations for each category some of which are links to the key objectives later in this strategy. We are part of the focus group that will be monitoring its progress.

West Sussex Physical Activity Forum

We also sit on the West Sussex PAF which is focusing on the following areas:

- Young people 14-19
- Older people
- People with a long term condition or disability
- People living in deprived areas with high rates of inactivity

Active Sussex Strategy 2018-23

This strategy has a vision to increase the number of people more active in Sussex by 2023. Sussex Active have four pillars to guide them in delivering their vision which are;

- Building lifelong activity habits in our children and young people
- Motivating inactive people to become more active
- Working out in the community to engage local people
- Bringing in new investment & partnerships

National strategies informing this are the Sport England "*Towards an Active Nation strategy*" and the Government strategy "*Sporting Future*".

Sport England – Towards an Active Nation 2016-2021

The Towards an Active Nation and A Sporting Future (2015) document which were from Sport England and Central Government respectively are two strategies that have been fundamental in shaping South Downs Leisure core values and objectives over the first five years of operation.

We continue to adopt the principles from these documents and align them to our plans alongside other local strategies. The five key areas of focus in the Sport England document were:

- Physical Wellbeing
- Mental Wellbeing
- Individual Development
- Social & Community Development
- Economic Development

OUR VISION AND STRATEGIC AIMS

At South Downs Leisure, to achieve our goal of more people, more active, more often we need to target our efforts and service offers to create a sustainable and balanced business model that provides opportunities for all, and generate profits that can be re-invested into our facilities and other services. To guide us in what we do we have come up with five strategic aims, all of which will help us change lives through Health and Wellbeing:

- Change lives through increasing health and wellbeing
- Grow an ethical and sustainable business
- Create an exceptional customer experience
- Develop our staff and volunteers to be the best
- Build strong communities and effective partnerships
- Develop & Grow the success of the Enterprise

OBJECTIVE ONE

CHANGE LIVES THROUGH HEALTH & WELLBEING

The power of Health and Wellbeing

It has been said that if exercise were a pill, it would be one of the most cost-effective drugs ever invented*. However, taking part has more benefits than the wellbeing benefits of exercise alone; the sense of community built over a tea or coffee after a shared experience or event can create a feeling of belonging and help avoid the negative effects of social isolation and loneliness.

It is well known and documented that participation and volunteering in community, leisure and sporting activities builds confidence and self-esteem whilst strengthening community spirit and improving physical and mental health.

The role we play

Supporting the Worthing community

At South Downs Leisure we design and deliver programmes that are financially sustainable and, in some cases, support other initiatives that can improve the Health & Wellbeing of our local community.

We strongly believe that no other leisure service is better placed to deliver such a diverse range of schemes with a positive impact on our surrounding area.

Working with other charities

We support the wider Worthing community by nominating two local charities to fundraise for each year. This also creates volunteering opportunities for staff and a chance to contribute to the greater good for those taking part in fundraising events. These charities are strategically chosen based on their commitment to similar outcomes as us – a strong fit with local public health priorities for the Worthing area and the ability to make a real impact to those we seek to support.

Working with corporate partners

NICE (National Institute for Health & Care Excellence) has recently reported that companies have a corporate responsibility to promote and support their workforce to stay active and healthy. Figures from the Health & Safety Executive tell us that stress, depression or anxiety accounted for 40% of all work-related ill health cases and 49% of all working days lost due to ill health. *

At South Downs Leisure we will work with our corporate partners to provide physical activity opportunities for their employees and educate companies that an active

employee is much more productive. This creates an opportunity for our team to advise companies on how to best care for their workforce, to promote our products and services and to tailor programmes to meet their specific health and wellbeing needs

Supporting the South Downs Leisure team

Of course, it's important to practise what you preach! We have a robust staff Health & Wellbeing policy which allows us to support our own team of staff members and volunteers. South Downs Leisure has signed the 'Time to Change' pledge showing our commitment as an employer to end the stigma surrounding mental health. This work includes establishing a steering group of Time to Change Champions, reviewing policies and procedures and reviewing the support on offer.

Measuring the difference we make

As a responsibly managed charity we re-invest everything we make back into providing opportunities to support the health and wellbeing of the Worthing community. We work hard to measure and understand the impact that all of our programmes and activities deliver. We do this by introducing social value measures to promote and demonstrate the effectiveness of investment in our services. We look at the levels of participation, the people involved and the difference we make to everyone involved. This helps us to clearly show how every pound spent has a social impact on the community; benefitting public health, community safety, economic regeneration and community development.

Health and Wellbeing at South Downs Leisure for 2020

The Health and Wellbeing focus for 2020 and beyond includes:

- Securing funding to run activities and programmes with a focus on hard to reach groups, creating opportunities for socially disadvantaged groups to take part in activities to improve their overall health and wellbeing.
- Increasing the impact, we make by Introducing new wellbeing initiatives working with carefully targeted partners organisation, while preserving current thriving partnerships.
- We will articulate the social value created by all SDL activity, and track this social value generated on a month by month basis.
- We will develop healthy ways of working for SDL employees – including programmes to encourage walking meetings, screen breaks and active travel, in addition to current support advice and discounted Fit4 membership.

In order to ensure that these initiatives make best possible use of our precious resources we will also ensure that each activity, partnership or event meets the following criteria:

- Activities should either be high volume, low impact or low volume high impact (for example, supporting individuals with profound and multiple learning disabilities will be necessarily a small group in terms of population numbers, but the impact to each individual reached through a wellbeing activity could be measured as high impact on the individuals wellbeing)
- All activity will be in line with our charitable purpose and will provide compelling stories to share with staff, members, customers and other stakeholders
- The sharing of these stories can be used to highlight the difference between the charitable purpose of South Down's leisure and other commercial gym operators in the area.
- Our Health and Wellbeing initiatives will work alongside all our other activities and should not become a barrier to anyone enjoying the full facilities of SDL
- We want to make a long-term impact to everyone we help. We will therefore develop clear exit pathways from our programmes, such as Exercise Referral, to FIT4 membership to continue lifelong physical activity and lasting behaviour change.

Some of our current partnerships

This list is not exhaustive but is provided as an example of the range and extent of the partnerships we have in place. We will continue to work closely with the following groups and hope to develop many new partnerships over the next five years as the needs of our community change.

- Health & Wellbeing at Adur & Worthing Councils
- NHS Trusts
- West Sussex MIND
- Grassroots Suicide Prevention
- Public Health, West Sussex
- Worthing Homes
- Turning Tides
- Worthing MENCAP
- Worthing Dementia Action Alliance

* HSE report; figures from the Labour Force Survey

OBJECTIVE TWO

GROW AN ETHICAL & SUSTAINABLE BUSINESS

Ethics and sustainability go hand in hand. At South Downs Leisure we want to comply with strong ethical standards as we build a business that is fit for the future which supports our staff, customers and the environment.

We need to lead the way with our Green agenda and with every decision consideration needs to be given to the environmental impact.

ENVIRONMENT

South Downs Leisure spent £462,000 from October 2018 to Sept 2019 on energy, producing 1,294.5 tCO₂ (using DEFRA conversion 2019), totalling 6,282,448 kWh of energy across the estate. (ESOS Phase 2 Audit report Dec 2019)

Actively making change to help the environment has never been so important. In July 2019 Adur & Worthing Councils declared a climate change emergency which aims to see both authorities carbon neutral by 2030.

As well as an environmental and moral responsibility to actively reduce our carbon footprint at South Downs Leisure, it also helps with recruitment and engaging customers as more people prefer to work or use services that care for the environment.

We will look to actively reduce our carbon footprint by moving to only using renewable energy and recyclable products where possible.

We will produce an Environmental Impact Plan which will detail how we intend to reduce our carbon footprint to contribute to Worthing Council achieving a carbon neutral position by 2030. This may include the following;

- Investigate Solar energy options
- Increase recycling volume
- Reduction of plastic waste
- Reduction in car journeys by staff
- Use local suppliers where financially and sustainably possible
- Complete LED upgrades where possible
- Increase BMS access at Splashpoint
- Staff awareness campaign and training

HEALTHY EATING

We will aim to align with national objectives around Public Health and healthy eating in our café and vending services by reducing sugar and providing healthier alternative products.

Where possible we want to use local providers to support the economy in the local area and reduce the carbon footprint.

FINANCES

Good financial management is built around robust systems and sound policies which are operated by qualified and well-trained staff.

We seek to achieve a surplus of 1% each year. All profits are re-invested into the Trust and the local community.

We will achieve this by reducing costs and increasing income. Whilst this is not as simple as it sounds, we will review every supplier to ensure we are getting the best value in accordance with this strategy and our values.

We will also look at our various income streams around sales and upselling to maximise revenue.

When looking at future plans, any capital investment we make should begin to show a return on investment (ROI) within the first 5 years.

Our reserves policy needs to ensure that we are sensitive to avoid over-expansion and possibly damaging the brand. Therefore, any investment needs to leave enough cash in the business and minimise risk, and this will be achieved through the use of:

- Sensitivity analysis
- 18-month cash flow forecast
- Principles of growth guidelines

SALES & RETENTION

Competition in the local area has increased by 300% in the last three years with more than 6 new gyms, including two national chains competing in the local area.

Our membership income has a significant effect on South Downs Leisure's success as this equates to between 56-59% of all our income. This income underpins many other community initiatives and our ability to expand and grow.

We will be working on a revised sales and marketing plan highlighting our USPs against our competitors and improving our sales processes. Managing, monitoring and maximising membership will be key to developing sales and retaining income. We need to ensure we match membership numbers and usage to the programme and provide state of the art equipment and facilities.

We are also working closely with Worthing Borough Council on the redevelopment of Worthing Leisure Centre to ensure the best provision for the community.

OBJECTIVE THREE

CREATE AN EXCEPTIONAL CUSTOMER EXPERIENCE

South Downs Leisure has a policy of continually striving to improve customer service across all areas of the business. When we established the Trust, there was a recognition that service standards needed to rise to meet customer expectations and to compete in the open market with direct local leisure providers. The competition also comes from outside the leisure arena as potential visitors choose where to spend their disposable leisure income.

We have seen increased competition in the borough affecting a number of areas in our business:

- Gyms
- Classes
- Wedding venues
- Soft play
- Holiday programmes

The customer experience starts at the contemplation stage and continues through to our staff saying goodbye to a happy customer as they leave our centres. We need to examine the key areas within the customer journey and highlight the major impactors as below. The list below details what we feel the customer is looking for from their leisure experience:

- A user-friendly informative website and app
- An easy to use booking system
- Prompt and efficient telephony and ICT comments service
- Knowledgeable and well-trained staff
- Easy access to facilities with good parking and signage
- Smiling and welcoming staff
- Attractive, flexible and value-for-money membership packages
- A wide choice of inclusive activities for all ages and abilities
- A reaction to industry trends in the provision of the latest leisure products
- The highest level of customer service on a consistent basis
- A clean and well-maintained facility
- What can we do to stand out from other leisure providers (wow factor)?

In 2019 we introduced a new booking system and linked this to Data Hub which collates data across the UK at a local and national level. It's essential we understand the market place and our members. Sending out the same marketing and product to all customers in the future will not suffice, as customers demand bespoke messages and packages designed for their needs. We are collecting data from members and non-members over the next year and have already started using this information when reviewing our programmes and products. We continue to introduce new initiatives and over the last five years we have develop our offer with activities such as;

- Winter Wonder Land
- Silent Disco
- Pole Fitness
- Immersive Studio
- Sensory play area
- Junior Cricket League
- Fencing
- Running, walking and biking on the Downs

Our programmes are constantly developed and reviewed in accordance with demands, trends and occupancy and in some cases, such as fencing, this session was removed and replaced with other activities. Running on the Downs became a voluntary activity and new clubs were developed such as “Born to Run” that grows stronger each year.

We hold a quarterly development group that looks at trends and new ideas and this will continue over the next 5 years. The group will need to balance the commercial opportunities with community and social need.

OBJECTIVE FOUR

DEVELOP OUR STAFF & VOLUNTEERS TO BE THE BEST

To provide exceptional service for our customers, we must ensure that all staff and volunteers have a great and consistent experience through the organisation. This should start from the initial enquiry at the recruitment stage as well as providing quality and consistent inductions for all roles.

South Downs Leisure has an apprenticeship scheme and currently has 15 apprentices on the scheme (Nov 2019). We have developed procedures for all staff and have the following systems in place to support all our teams:

- South Downs Leisure Induction
- Job Specific induction
- Health & Safety induction
- Employee Welcome guide
- Meet the CEO session

To help staff and volunteers develop in their career we also have:

- Performance Development Reviews (PDRs)
- 1-2-1 sessions with their managers
- Mentoring system
- Internal training courses (two listed below which have been developed internally)
 - 1-2-1 management course
 - Management training course
- External training opportunities
- Bi-Annual staff opinion survey

We do recognise that demands and pressures change in any organisation and procedures, policies and systems of work around training, development, contracts will be reviewed in early 2020. All this will be part of a workforce plan that has an emphasis on what is best for the organisation whilst allowing individuals to grow and develop in their chosen career.

We must continue to invest in front of house, middle and senior management and where necessary continue to bring in bespoke professional training to increase knowledge and skills through the development of annual training plans.

We need to expand our modern apprenticeship scheme and look at opportunities to develop our own in-house training academy which would drive succession planning and career development.

If we look after the workforce, they will look after the business and people will want to work for us as a leading and fair employer in the local area.

OBJECTIVE FIVE

BUILD STRONG COMMUNITIES & EFFECTIVE PARTNERSHIPS

During the first five years, we have built a number of successful partnerships most of which have benefitted both the centre, the organisation we have worked with and the community.

South Downs Leisure would not be able to deliver all the Health & Wellbeing initiatives it currently does without its partners and strong communities.

Building strong partnerships with other local organisations has helped us move towards facilitating the start-up of, rather than purely delivering, various community events and activities. Examples of these projects include:

GoodGym, Green Dreams festival, Mental Health run club, Sussex Recovery College volunteer coaching team, Mental Health Football, Albion in the Community, Sustainable Sussex.

Each project continues to be successful and self-sustaining with annual growth.

What we need to focus on is quality rather than quantity so that we can ensure each and every contact we make with the community has a significant positive impact. We will need to:

- Have fewer but more effective partners
- Map out our community links
- Designate staff to take ownership with communication of various partners ensuring prompt responses and developing the relationship

The partnerships that we develop in the future will have one or more of the following criteria:

- Providers of health and social care
- Providers of home care services & care homes
- Corporates & small businesses
- Charities and social enterprises

The range of services or products we could provide will include:

- Opening our facilities to support the partners aims
- Providing services in our partners facilities
- Joint working to support our partners objectives
- Developing innovative ways of delivery of services

We also work closely with partners at a regional and national level in the Leisure Industry in the following way;

CIMSPA – Chartered Institute for Sport and Physical Activity

We are corporate partners and the CEO of South Downs Leisure sits on the Development Board

CLUK – Community Leisure UK

This group represents over 130 Leisure Trusts in the UK and we are again corporate partners and contribute to a number of groups which include;

- Swimming & Aquatics
- Safeguarding
- HR
- Finance
- Chairs & Trustees
- Health & Social Care
- GDPR & Compliance

Active Sussex

One of 43 partnerships across England, predominantly funded by Sport England, Active Sussex main aim is to increase participation in sport and physical activity at a local level. South Downs Leisure are members and attend the quarterly meetings.

Quest

A quality accreditation in the leisure industry supported and part funded by Sport England this is a bi- annual accreditation of each leisure facility. We currently have four sites accredited with two achieving an excellent status.

OBJECTIVE SIX

DEVELOP & GROW THE SUCCESS OF THE ENTERPRISE

The Enterprise has continued to grow with the number of bookings per year, the turnover and in reputation. It is important to reflect on the successes at Field Place understanding the various key decisions and actions that took Field Place from a run-down community venue to a national award winning wedding venue.

In 2016 we realised that our wedding bookings were on the decline and 2017-18 was showing low booking numbers. We sold 52 weddings that year for Field Place. Our 2016-2019 Business Plan for Field Place focused on:

- Customer Service & staff Appearance
- Cleanliness
- Professional show rounds
- Décor and furniture at the site
- Gardens
- Catering

Customer Service & Staff Appearance

We trained all the staff through an external trainer in sales techniques and how to close a sale. We also created an Events and Function Manager in 2016.

Cleanliness

We created a job solely dedicated to cleaning in 2016

Professional show rounds

Part of this training came from the external trainer that came into Field Place but we have since and are still continuing to develop this process.

Décor and furniture at the site

The Facility Manager visited local antique shops looking at furniture and décor that could fit with a Georgine period house and barn.

Gardens

In late 2017 we held a tender to design and cost out the old putting lawn and chose the design from Juliet Sargeant who in 2016 won a gold medal at the Chelsea Flower Show with her anti-slavery garden. We invested £158,000 in the gardens at Field Place which were landscaped in 2018 and mature as each year passes.

Catering

In 2017 we tendered the catering contract and selected Hardings as our preferred contractor. They took over the bars and this has turned out to be a very positive relationship, improving the quality and profit that Field Place generates.

In the early part of 2020 we will be writing a Business Plan to cover 2020-2023 focusing on all of the above as well as looking at whether there is potential for expansion to other sites.

MARKET ANALYSIS

Market development & Choice

Over the last twenty years we have seen Leisure Trusts operating council facilities on a more commercial basis. There has also been a huge growth in the fitness market which has included small individual gyms, boot camps, personal trainers, domestic facilities and most recently large budget clubs opening 24hrs, seven days a week.

The growth in the fitness market has helped Leisure Trusts reduce the subsidy they get from councils and South Downs Leisure even pay the Council to operate their facilities.

There have also been many trends, and, in some cases, fads appear on the market particularly around group exercise and individual pieces of fitness equipment. The fads are the short-term phenomena that rise quickly, sometimes take the country by storm, and then just fade to obscurity. Trends, on the other hand, are activities or products that evolve into wider opportunities. The power of a trend can manifest itself in the attitudes, values and behaviours of our customers. Consequently, it is the trends that South Downs Leisure must look for and focus on when mapping out our strategy.

The future trends will be very much based around technology and could include mobile apps, virtual group exercise classes and further development of fitness wearables. These are all still emerging trends that will continue to evolve over the next five years. Currently offering these products provides a Unique Selling Point (USP) but over the next few years this will become a competitive necessity.

Customer Demand

Customers had less choice 20 years ago, we have seen many variations of exercise develop, some of which are mentioned above. There has been increased participation in running clubs, cycling clubs and even free community events such as parkrun and GoodGym, some of these complement our membership. We are not only hit by gyms, on a rainy day our competition could be cinema, ten pin bowling alley, laser quest, climbing or soft play park which have all improved their offer over two decades and when the sun shines our customers use the beach and sea. Membership can guarantee income streams as people pay by direct debit regardless of the weather or competition.

In a saturated market it is not only crucial to get the product right, but you need to also break down barriers to joining. One such barrier is around online membership sales which must be made simple with no complications. We need to focus on capturing the key details on first contact rather than 20 questions before you can join our gym.

We must work closely with our booking providers Legend and be at the forefront on development around membership, online joining and ticketing and access control. We will be reviewing products during 2020 that will hopefully improve online joining and access control in classes.

Cleanliness and customer service continue to be high up on the list of why people leave. While many customers leave for price, they come back because of customer service and cleanliness. It is essential that whilst we focus on innovation and new trends, we must not lose sight of these two important factors.

The product must remain fresh and be up to date with the latest trends and technologies. We need to have the ability to be agile with our approach to new trends and therefore it is important not to align all our fitness equipment under one contract which is changed every five years.

Competition

We need to identify our key competitors and understand why customers may choose them instead of us such as:

- New swimming facilities
- Other Gyms
- Football centres
- Wedding venues
- Other leisure offers

See page 9 of this strategy which refers to competition.

Understanding our unique selling points (USP)

It is more important than ever to truly understand our USPs as this will allow us to focus these as a campaign when competing against new and current competition.

- Our charitable status
Any surplus that we make will be reinvested back into the buildings or community as we are a not for profit organisation.
- The work we do in the community
We have an extensive number of partnerships and ongoing initiatives in the community (examples of these are on page 15 and page 20)
- Staffing our gyms
This is only a USP with the budget clubs if we deliver customer service to a high level
- Extensive FIT4 product

We have a current campaign that focuses on “More than just a Gym”. The FIT4 product is well known around Worthing and seen as great value for money from a high number of people. Going forward we need those same people to understand that in supporting FIT4 they are supporting their community.

Collaboration

We need to work as one Sales and Marketing department in the future. Work is currently in progress to improve this in advance of a Sales and Marketing Director joining this team in early 2020.

Target Marketing

We will be developing smarter marketing campaigns on social networks that target various groups according to intelligence gathered from Data Hub and member and non member usage and aligning this to various campaigns.

Marketing plan

During 2020-2021 we will draw up a marketing plan which will support the delivery of this strategy.

FINANCE

South Downs Leisure has now completed five years of operation as a charitable Trust. During this period, we have moved away from purchasing services from Worthing Borough Council for accounting, exchequer, IT and finally payroll was brought in house in 2020.

Along with gaining greater autonomy, this has enabled South Downs Leisure to make some savings and to create new skill sets within the Trust.

In 2018-19 we gave Worthing Borough Council as part of the contract a gain share as South Downs Leisure exceeded its risk reserve and generated more than £100,000 profit.

Service Fee

In contrast to many other Trusts, South Downs Leisure pays Worthing Borough Council a service fee each year to operate this contract. This creates an income for Worthing Borough Council instead of the loss that leisure was generating when operated in-house. This gives the local taxpayers good value for their leisure services.

Car Parking at Splashpoint

We have an agreement with the Council to refund South Downs Leisure any spend on refunds to the Splashpoint car park over and above £60,000 in a year. The Council are considering stopping this once the new car park opens at the development to the East of Splashpoint. This could have a serious impact on membership and profit margins. We gave back £120,000 of refunds and reclaimed £60,000 from Worthing Borough Council in 2018-19.

Income and Expenditure

Income and expenditure for the first four years are below:

SOUTH DOWNS LEISURE	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Actual	Actual	Actual	Forecast
Income	5,749,554	6,495,754	6,531,334	6,453,740	6,130,826
Donation from SDLE	128,586	130,390	0	0	0
Depreciation	91,071	103,855	117,043	132,416	131,982
Expenditure	5,351,083	6,326,080	6,411,080	6,150,687	5,982,617
Management and Admin Fee	20,243	23,036	26,004	26,844	27,108
Surplus/(Deficit)	415,743	173,173	(22,793)	143,793	(10,881)

Income in 2015-16 was only 11 months

The large surplus in year one was mainly due to the direction in which the membership was going and our staffing structure which had not adjusted to more customers at that time. In January 2015 we had 9,400 members and approximately 320 classes but by the end of 2015 we had 10,400 members. To maintain this

growth our classes increased along with staffing in the gyms. 1,000 additional members equates to approximately £360,000 income.

Restructure and review

In 2018 and 2019 we encountered a particularly tough 18 months financially for South Downs Leisure seeing our membership drop in 13 out of 18 months. Our membership reduced from 11,000 at its peak to as low as 9000.

As a result of the drop on memberships we have had to restructure our staffing and review our product, systems of work and services we provide. This has been a trend repeating itself across the country as the market place around fitness has become saturated. There are currently very little signs that this trend will ease up in the future and South Downs Leisure needs to re-organise itself as a company with 9500-9800 members rather than 11000.

A great deal of work has taken place during 2019 to reduce costs and improve our sales and retention process. We are starting to see the benefits of this work, however we need ensure the structure and teams across South Downs Leisure are fit for purpose and will allow us to adapt and grow again in the next five years. A restructure will take place in the organisation during 2020.

Reserves & Capital investments

The reserves policy dictates the funds we have available for any projects or investments moving forward. The reserves have been building in our business improvement and risk reserves. A number of capital purchases have been made from the reserve accounts such as a new booking system, HR and payroll system.

The purpose of our risk reserve was to have a reserve to cover risks to the organisation and we targeted for this to build up to the equivalent of two months' salary costs and any pension strain which in 2015 was £570,000. Two months' salary costs and pension strain today would be approximately £595,000. This will change according to staff being in the LGPS scheme and being over 55 years old.

SOUTH DOWNS LEISURE	2015-16	2016-17	2017-18	2018-19	2019-20
RISK RESERVE & BUSINESS IMPROVEMENT RESERVE	Actual	Actual	Actual	Actual	Forecast
Risk Reserve Additions	305,283	66,300	(22,793)	43,793	(10,881)
Risk Reserve Expenditure	0	0	0	0	0
Risk Reserve Total	305,283	66,300	(22,793)	43,793	(10,881)
Risk Reserve Cumulative	305,283	371,583	348,790	392,583	381,702
Business Improvement Reserve Additions	100,000	100,000	0	100,000	0
Business Improvement Reserve Expenditure	0	0	158,000	0	0
Business Improvement Reserve Total	100,000	100,000	(158,000)	100,000	0
Business Improvement Reserve Cumulative	100,000	200,000	42,000	142,000	142,000
Restricted Funds	10,460	6,873	17,333	30,773	30,773
Total Funds	415,743	173,173	(163,460)	174,566	19,892
Total Cumulative Funds	415,743	588,916	425,456	600,022	619,914

SOUTH DOWNS LEISURE ENTERPRISE	2015-16	2016-17	2017-18	2018-19	2019-20
RESERVES	Actual	Actual	Actual	Actual	Forecast
Reserve Additions	13,206	8,061	11,991	83,052	96,823
Reserve Expenditure	0	0	0	0	0
Reserve Total	13,206	8,061	11,991	83,052	96,823
Reserve Cumulative	13,206	21,267	33,258	116,310	213,133

In addition to the budgeted revenue spends each year, there is a requirement to maintain and replace the larger items of equipment at each of the sites via a Capital Replacement Programme. The table below details a forecasted total of all major capital items based on the anticipated lifespan and subsequent scheduled replacement. Projects are subject to an annual review and are assessed based on their relative importance to the business. Projects may be deferred to future years or discarded altogether. Values are further impacted on by the availability of any external funding and also contributions from Worthing Borough Council and West Sussex County Council (for Davison LC). Under the Funding and Management Agreement, WBC have a comparable commitment to maintain their facilities and schedule their own Capital Replacement Programme.

WBC are currently reviewing their capital bids for 2020/21 and those affecting SDL include:

- Refurbishment of the Tennis Courts at Field Place (c.£160k)
- Replacement of the flume steps at Splashpoint (cost tbc)
- Repair to roof structure and ceiling tiles at Worthing LC. (on hold)
- Repair to the car park surface at Worthing LC (on hold)

South Downs Leisure Capital

SDL CAPITAL FORECAST	2020-21	2021-22	2022-23	2023-24	2024-25
Worthing LC	£10,000	£0	£30,000	£0	£0
Splashpoint	£0	£0	£90,000	£5,000	£0
Field Place (Trust only)	£0	£0	£0	£0	£0
Davison LC **	£12,000	£0	£57,000	£0	£5,000
Worthing College	£0	£0	£0	£0	£0
Totals	£22,000	£0	£177,000	£5,000	£5,000

South Downs Leisure will review projects as and when required but need to be in a position where we can react to market trends and maximise on future new trends. So whilst the strategy shows no capital spend in 2021-22, this is unlikely to be the case.

Budget

A five-year budget follows:

SOUTH DOWNS LEISURE FORECAST	2020-21	2021-22	2022-23	2023-24	2024-25
Income	6,343,489	6,412,450	6,537,010	6,642,302	6,720,476
Depreciation	170,222	170,222	170,222	170,222	170,222
Expenditure	6,065,124	6,177,951	6,253,201	6,329,989	6,408,298
Surplus/(Deficit)	108,143	64,277	113,587	142,091	141,956
Gift from Enterprise	0	0	0	0	0
Net Surplus	108,143	64,277	113,587	142,091	141,956
Cumulative Surplus/(Deficit)	108,143	172,420	286,006	428,097	570,053

The above table assumes a FIT4 membership base of 9,350 in 2019/2020, 9,515 in 2020/2021, 9,550 in 2021/2022 and 9,650 in 2022/2025. Measures being put in place in 2019/2020 should begin to yield results along with customers returning from the budget gyms approximately two and a half years after opening, which has been shown in other sectors within the industry. There are numerous large housing building projects in the local area and we are expecting to attract a proportion of the new residents, hence the increase to a peak of 9,800 members in 2022. It is believed that numbers may then plateau at this figure unless we change something significantly such as a new build. The above projects do not allow for any new

budget gym entrants to the market and revisions would need to be made as appropriate.

We will be considering replacement of Fitness equipment at both SPLC and WLC during 2021 but this will be on a lease and out of the revenue budget.

There will also be Capital spend via the Council in 2020 with the replacement of the tennis courts at Field Place.

The Enterprise will be looking at capital spend around the Reception entrance

Cashflow

Cashflow for the same period (quarterly cash flow is included as an appendix) is below:

SOUTH DOWNS LEISURE FORECAST	2020-21	2021-22	2022-23	2023-24	2024-25
Opening Balance	694,887	952,779	1,191,262	1,309,676	1,631,304
Surplus/(Deficit)	279,892	238,483	295,414	326,628	332,773
Capital Expenditure	22,000	0	177,000	5,000	5,000
Closing Balance	952,779	1,191,262	1,309,676	1,631,304	1,959,076

Sensitivity Analysis

Using our sensitivity analysis, we are able to understand changes in any of our major costs or income streams. This gives us the ability to react quickly and adjust our services as necessary.

The current pressure on our FIT4 income and large increases in the costs of utilities make us vulnerable so these are important streams for us to monitor in this way.

Enterprise

South Downs Leisure Enterprise is the trading arm of South Downs Leisure. South Downs Leisure Enterprise deals with the non-leisure side of the business which includes weddings, corporate room hire and events.

The business has evolved during the first five years making comparisons in the annual P&L difficult. The catering and bars for all events and functions at Field Place have been contracted out to a professional company which, in turn, provides us with a commission. This has reduced the income but also reduced the expenditure and improved the quality of service.

Over the past 5 years, we have invested in the facilities in a number of key areas including upgrading fixtures & fittings, toilet refurbishment, new bar areas and the wedding garden.

We are continually looking to expand Field Place and develop further commercial opportunities. Some of the key areas to be explored are:

- Source new venues to operate in
- Onsite bridal accommodation – Revenue income and allow us to compete with other venues that offer this service
- Marquee and Lawn at the rear of the Barn – Revenue income and allow for large scale events
- Catering – Continue to work in partnership to develop the offering available across the site
- Pavilion Gallery – Turn into a seating area to make the Pavilion a premium party venue.
- Expand on the multi-room venue to attract new business.

Funding opportunities

We would need to prioritise the list above based on return on investment, risk and the total cost of the project.

The difficulty will come with funding a new facility because we currently do not have ownership of any assets to put down as security when borrowing.

Along with these potential areas for development we are also looking to expand our partnership working with Worthing Borough Council potentially for events and also running weddings at Highdown Gardens. We have currently a very good working relationship with the Worthing Borough Council parks team which was highlighted in the recent green flag report.

Sourcing a new venue(s) to run and expand the business would be a real opportunity for the Enterprise. If a venue can be found to complement and not compete this would be a very exciting opportunity.

	2015-16	2016-17	2017-18	2018-19	2019-20
SOUTH DOWNS LEISURE ENTERPRISE	Actual	Actual	Actual	Actual	Forecast
Income	494,043	570,511	364,409	520,936	616,706
Depreciation	0	2,683	8,234	19,128	25,836
Expenditure	328,707	404,402	282,619	391,912	466,939
Management and Admin Fee	20,243	23,036	26,004	26,844	27,108
Donation to SDL	128,586	130,390	0	0	0
Pre Tax Surplus/(Deficit)	16,507	10,000	47,552	83,052	96,823

SOUTH DOWNS LEISURE ENTERPRISE FORECAST	2020-21	2021-22	2022-23	2023-24	2024-25
Income	633,742	659,092	685,456	706,019	727,200
Depreciation	27,830	29,222	30,683	32,217	33,828
Expenditure	516,017	534,387	573,331	573,331	590,531
Surplus/(Deficit)	89,895	95,484	101,292	100,471	102,841
Gift to Trust	0	0	0	0	0
Net Surplus	89,895	95,484	101,292	100,471	102,841
Cumulative Surplus/(Deficit)	89,895	185,378	286,671	387,142	489,983

SOUTH DOWNS LEISURE ENTERPRISE					
CASHFLOW FORECAST	2020-21	2021-22	2022-23	2023-24	2024-25
Opening Balance	377,527	417,422	512,906	614,198	714,669
Surplus/(Deficit)	89,895	95,484	101,292	100,471	102,841
Capital Expenditure	50,000	0	0	0	0
Closing Balance	417,422	512,906	614,198	714,669	817,511

Significant investment has been made in the manor house and barns at Field Place. In 2018 a new wedding garden has been designed and created by Juliet Sargent, a Chelsea Flower Show gold medallist and the impact of all these upgrades can already be seen in future bookings.

SOUTH DOWNS LEISURE ENTERPRISE						
BOOKINGS						
At Sept 2019	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Weddings	52	68	69	48	19	1
Functions	24	37	31	4	0	0

Weddings are usually booked 6 months to a year in advance and function 3-6 months

Any future investment will continue to ensure that Field Place manor House and Barns continues to be an award-winning venue which is not only a top choice in Worthing but also West Sussex and the South East of England.

APPENDIX

Appendix A

Change Lives through Health & Wellbeing

Ref no.	Key Description	Delivery Timescale
5.1	Introduction of Data Hub Geo Impacts and social value calculator to assist with activity programme planning via the information on both the location of our customers and those of competing facilities and their preferred activities.	2020-21
5.2	Create a link between the homeless and South Downs Leisure that provides opportunities and a sense of belonging for individuals.	2021-22
5.3	Fitness Team to relaunch exercise referral scheme and grow this sustainably year on year.	2019-22
5.4	Develop an audit of clubs and sporting opportunities that we can either sign post our users and partners to across Worthing. Plot these opportunities against childhood obesity and inactivity within Worthing and use this information when planning new initiatives.	2020-21
5.5	Understand Geographical, demographical and corporate gaps in membership and targeting underrepresented demographic groups and look at a possible concession membership for vulnerable people.	2021-22
5.6	Mobilise and open the Durrington Wellbeing Hub in 2021 and make this a sustainable success that facilitates a wide range of community and commercial activities to support the community needs.	2021-2023
5.7	H & W Manager to continue to build links with Sussex Partnership to create pathways from illness & hospital admissions to regular physical activity and develop five new initiatives per year	2020-2025
5.8	Consider a scheme that encourages staff to be more active at work. This should be tested with SDL and could be used with other corporate members. This should also discourage the use of cars for short journeys such as Field Place to WLC	2022-2023
5.9	Organise a team building activity or day that would encourage staff to either be more active, meet new people, help out in the community.	2020-21
5.10	Talk with school heads to suggest and encourage intergenerational education with school children partnering phoenix for the morning.	2021-22

KPIs

1	Financial sustainability of Health & Wellbeing	Zero budget
2	Link between homeless and SDL	Come up with a plan for 2021
3	Exercise Referral numbers with 60% of all patients joining FIT4	36 members in 2020-21 40 members in 2021-22 45+ members in 2022-23
4	Ensure Durrington Hub makes a small surplus by year 2	Surplus in year 2
5	Report the social value in annual Business Plans from 2021	Figure in £££
6	SDL Community Activity	Volunteer in community (could be goodgym or parkrun takeover)
7	Secure funding to run activities and programmes for socially disadvantaged groups	2 funding pots per year

Key Risk Factors:

- Lack of understanding around priorities and needs focusing resources in the wrong area resulting in overspend on the budget.

- Lack of funding opportunities due to poor delivery and reputation

Grow an Ethical and Sustainable Business

Ref no.	Key Description	Delivery Timescale
1.1	Work with the Council on the development of the Leisure Futures project to deliver a new state of the art complex for the people of Worthing ensuring it is fit for purpose for the next 40-50 years.	2020-2025
1.2	Benchmark against industry standards for sales and retention and create a formula to match membership numbers to usage provision. For example 0.90 class spaces per member per week	2020-21
1.3	Create an environmental action plan in 2020 that will help reduce our costs, reduce our carbon footprint and help market the organisation as a caring business by 2023	2023-24
1.4	Achieve EBITDA of between 1%-3% each year and re-invest a minimum of 10% of business improvements reserve back into the business each year over any rolling three year period.	2020-2025
1.5	All capital investment to show a return on investment over five years unless the opportunity shows others key benefits making use of our Principles of growth and values.	2020-21
1.6	Introduce Environmental Impact as an agenda item to SMT meetings and a section on all Board reports	2020-21
1.7	Brighton and Hove leisure contract will be up for tender in 2023 and South Downs Leisure needs to understand what B&H Council are looking for from the successful bidder before deciding whether to apply.	2023-24
1.8	Develop a Sales & Marketing Plan on an annual basis to increase sales & retention, control attrition and maintain the desired yield	2020-2025

KPIs

1	Environmental Impact	5% reduction in Electricity 1% reduction in water Up to date live delivery plan in place
2	Profit & Loss	1-3% profit on turnover
3	FIT4 Attrition	below 5%
4	FIT4 average membership	2020-21 = 9,400 2021-22 = 9,600 2022-2023 = 9,800
5	Increase sales of FIT4 product	Increase sales to average over 495 per month as an average
6	Classes	Full to 70% capacity and providing 0.9 classes per member
7	Capital & Asset plan	Develop a capital and asset replacement plan that is linked to the budget and is affordable.

Key Risk Factors:

- Reduced FIT4 membership.
- Overexpansion, falling standards and reduced income
- Reputational damage due to above and no care with the environment

Creating an Exceptional Customer Experience

Ref no.	Key Description	Delivery Timescale
2.1	Review the Recruitment and Selection policy and training to raise the profile of customer service as an essential within job descriptions. Review the internal Customer Care strategy for the organisation.	2020-21
2.2	Review the format of the South Downs Leisure website and App using customer feedback and independent testing.	2022-23
2.3	Review the booking and tiling process working with Legend to improve the online functionality whilst Improving access control to reduce unauthorised entry to the sites.	2020-21
2.4	Review the pricing policy and membership options.	2020-21
2.5	Assess the benefit of an off-peak and sports-specific package.	2020-21
2.6	Review the telephony service including the possibility of a centralised call centre and adopt the Splice monitoring tool to feedback on a monthly basis.	2021-22
2.7	Maintain the Quest accreditation at the 4 larger sites with a minimum of Excellent at each.	
2.8	Set 5-year targets for the site and South Downs Leisure Net Promoter Scores and benchmark against comparable industry providers with a target to reach 44%.	2020-25
2.9	Grow usage by 3% from 1.55m in 2020 to 1.6m visitors in 2025	2020-25
2.10	Within the trading meetings review quarterly new ideas and initiatives and plan these into the capital scheme and business plan in line with this strategy and the needs of the community.	2020-2025

KPIs

1	Quest Accreditation score	Very Good or Excellent
2	Net Promoter average score	2020-21 = 40% 2022-23 = 42% 2024-25 = 44%
3	Customer care training	To have 60% of South Downs Leisure trained in customer care (course or online) by 2021/22
4	Usage growth	2020-21 = 1.55m 2022-23 = 1.57m 2024-25 = 1.6m
5	New initiatives	Two new initiatives/products per year

Key Risk Factors:

- Negative effect on customer service
- Reputational damage and difficulty in recruiting the best staff
- Reduced usage at our venues.

Develop our staff & volunteers to be the best

Ref no.	Key Description	Delivery
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		Timescale
3.1	Introduce a new HR and Payroll system	2020-2021
3.2	Develop a Training Academy for staff where we employ staff to deliver the training and sell spaces to other corporate groups. Offer reduced or free training to volunteers based on a points system where volunteers can build up credits for working volunteer hours	2021-22
3.3	Create a consistent way to monitor both short term and long term sickness by departments: <ul style="list-style-type: none"> • Membership • Fitness • Worthing Leisure Centre • Splashpoint Leisure Centre • Field Place • Davison Leisure Centre • Worthing College • Head Office & Business Development target to bring the overall sickness below 2.5%	2020-21
3.4	Empower staff at all levels to have responsibilities through the PDR and 1-2-1 process and relaunch the mentoring system	2020-21
3.5	Develop a volunteer strategy and create opportunities to engage members of the community who may not currently use our facilities and offer reduced or free training to volunteers based on a points system where volunteers can build up credits for working volunteer hours. Establish current volunteer hours and Increase the number of volunteer hours by 30% over five years in incremental stages	2022-23
3.6	Select a team of positive ambassadors that would deliver all South Downs Leisure Inductions consistently across the organisation	2020-21
3.7	Develop a calendar of team building, social and engagement opportunities such as World Café or Learning at Workweek.	2021-22
3.8	Deliver an annual staff satisfaction survey with an aim to gradually improve satisfaction in years 1,3 and 5 of this strategy and have a completion rate of 60% of staff by 2023	2023-24
3.9	Re-Write all our JD's and person specs in line with CIMSPA guidelines and review policies and procedures to help the organisation.	2021-22

KPIs

1	Staff turnover	Turnover between 10%-20%
2	Volunteer hrs	6% increase per year
3	Sickness	Sickness under 2.5%
4	Staff Survey	Completion over 60%

Key Risk Factors:

- Bad reputation as an employer making it difficult to recruit
- High turnover of staff which puts pressure on budgets and the rest of the team

Build strong communities and effective partnerships

Ref no.	Key Description	Delivery Timescale
4.1	Support and actively seek partnership working projects (where viable) that allow free/low-cost access to our facilities examples; the Mental Health running club, and junior park, and Mental Health Football.	2020-21
4.2	Map out our partnerships, the link and who leads on contact with each group.	2020-21
4.3	From above prioritise the top 12 partnership and highlight areas in the community and corporately where we are not engaged to the correct level.	2020-21
4.4	Undertake a partnership plan reviewing current and future partners. This needs to establish our direction of travel, the purpose of the partnership and ensure our partners cover all aspects from business need, community need and clubs, corporate and industry.	2021-25
4.5	Put together a development plan for each club. This will focus on funding and future needs which will help the club/partner keep our facilities busy and well used. <ul style="list-style-type: none"> • Worthing Thunder • Harriers Athletics • Worthing Swimming Club • Phoenix club • Walking Football 	2021-25

KPIs

1	Funding	Achieve a level of funding each year that covers the activity and the Health & Wellbeing Manager post making projects financially sustainable
2	Funding target	From 2022 = £50,000+ per annum
3	Community partners	Map out plan of partners and areas of work over the next 5 years

Key Risk Factors:

- Poor relations and limited partners could resort to lack of funding opportunities
- Greater costs to deliver projects within the community without partner engagement

DEVELOP & GROW THE SUCCESS OF THE ENTERPRISE

Ref no.	Key Description	Delivery Timescale
6.1	Write a three year Business Plan for the Enterprise	2020
6.2	To provide a High end product within West Sussex	2020-23
6.3	Explore the possibilities around a wedding suite or yurts for the bride and groom to use before and on the night	2021-22
6.4	Consider Marquee weddings that would allow for 200 people	2021-22
6.5	Refurbish the reception area to the house	2020-21
6.6	Increase weddings from 70 to 80 over five years	2020-2025
6.7	Increase functions from 36 to 45 over five years	2020-2025
6.8	Increase corporate bookings BY 10%	2020-2023
6.9	Investigate potential new wedding venues understanding fully what made Field Place such a success.	2020-2025

KPIs

1	Sustainability	10% EBITDA growing to 14% by 2025
2	Weddings	2020-21 = 70 2022-23 = 75 2024-25 = 80
3	Functions	2020-21 = 38 2022-23 = 42 2024-25 = 45
	Corporates	2020-21 = £75,600 2021-22 = £79,380 (5%) 2022-23 = £83,349 (5%)
4	Conversions	Convert 50% of all walk-ins to a booking

Key Risk Factors:

- Competition resulting in reduced weddings and reduced profit
- Reputation due to poor maintenance, cleanliness or service resulting in above

Appendix B

SWOT

Strengths

- Established FIT4 cross-site product
- Uniquely diverse product mix
- Consistent branding
- Competitive pricing
- Strong community engagement and partnership working
- Well trained and knowledgeable staff
- Wide range of skills and industry experience
- 5 locally based sites
- Strong Health and Safety ethos throughout the organisation

Weaknesses

- Ageing facilities (Worthing Leisure Centre and Davison Leisure Centre)
- Telephony – missed calls
- Lack of security and direct access control
- Lack of ability to react to industry trends
- Lack of financial flexibility to support new ventures
- Insufficient free parking

Opportunities

- Gaining chartered accreditation status in customer service (ICS)
- Modern Apprenticeship integration as part of the Workforce Strategy
- Further Health and Wellbeing Programme Development
- Expand environmental & sustainable initiatives as a marketing tool
- Further product development - adding new leisure initiatives ahead of the competition
- Create stronger community partnerships
- Embracing new technology

Threats

- Increased local competition
- A downturn in membership numbers and revenue
- Loss of main business contracts
- Pressure from increases in the Living wage and National Minimum Wage
- Pressures from reduction in economy
- Loss of Parking / Splashpoint – extended chargeable parking and WBC refund parking agreement ending
- Adverse publicity on social media affecting the overall company reputation

PESTEL

South Downs Leisure has undertaken an analysis of the key factors which impact on the business over the next 5 years.

POLITICAL

There are 37 councillors in 13 wards across Worthing made up of: (brackets are 2015)

- 28 Conservative (27)
- 4 Labour (0)
- 2 Liberal Democrats (7)
- 2 Independent
- 1 UKIP

With the uncertainty of Brexit and Environmental awareness, there is a high possibility of change or a much weaker leading party from May 2020. This could affect decisions around the Leisure Futures project to re-build Worthing Leisure Centre.

ECONOMIC

The national budget strategy and wider economic conditions whilst improved continue to have a major impact on local authority finances in the form of reduced grants from central Government. This will inevitably continue to be challenging for Worthing Council and may also impact on South Downs Leisure as a consequence.

With wages not increasing at the same rate as CPI over the last five years, our customers remain cautious and the low-cost budget sectors have benefitted from this. This has affected the Leisure Industry with Budget Gyms entering the market and Worthing has seen two national chains and one smaller budget club enter Worthing. This has had a significant impact on the membership which we have seen a drop from 11,000 in May 2017 to 9,500 in July 2019.

We have conducted a financial sensitivity analysis on the business and the two biggest areas of sensitivity are staff wages and also our FIT4 membership which currently generates 57% of all income in the Trust.

SOCIAL

Employment legislation dictates issues such as the national minimum wage and a national living wage. These are additional pressures to most leisure budgets and South Downs Leisure is no exception, as we have a high number of staff on these scales. An above inflation rise in the national minimum wage and national living wage also squeezes the next tier of staff above this wage and can create low morale for short periods only.

TECHNOLOGY

This area has seen the biggest change and will continue to see the greatest change looking forward as we continue to work through what seems to be a technology revolution. In the last 10 years, we have seen social media and the iPhone change the way our customers give feedback and shop. In some cases, this has presented an opportunity, but the pace of change is a difficult one to keep up with.

The next five years could be more around access control and Artificial Intelligence (AI). This will include the way customers train, using home technology and expecting new innovation at our sites. We need to remain open-minded about the possibilities that may present themselves in order to not get left behind.

LEGAL

Whilst the advent of charitable leisure trusts is not an immediately recent phenomena, The Localism Act 2011 is an important piece of legislation that seeks to disperse power and encourage Councils, voluntary organisations, charities and social enterprise to get things done, providing new freedoms and flexibilities for local government and new rights and powers for communities and individuals. We are now seeing this with Worthing Theatres who are in the process of forming a Trust. There may be new opportunities within the Borough over the next few years and South Downs Leisure needs to position itself to be ready to expand.

There is an ever-increasing amount of social, employment and health and safety legislation impacting upon the leisure industry. Health and Safety legislation demands increasing consideration to ensure a robust management framework and training. The financial and reputational 'costs' of failing to manage health and safety effectively, not least the consequence of litigation may potentially impact upon the nature and extent of activities that may be undertaken in future.

ENVIRONMENT

This part of the PESTEL covers two very different areas, one of change in the Trust market and one of awareness from our customers around environmental impact.

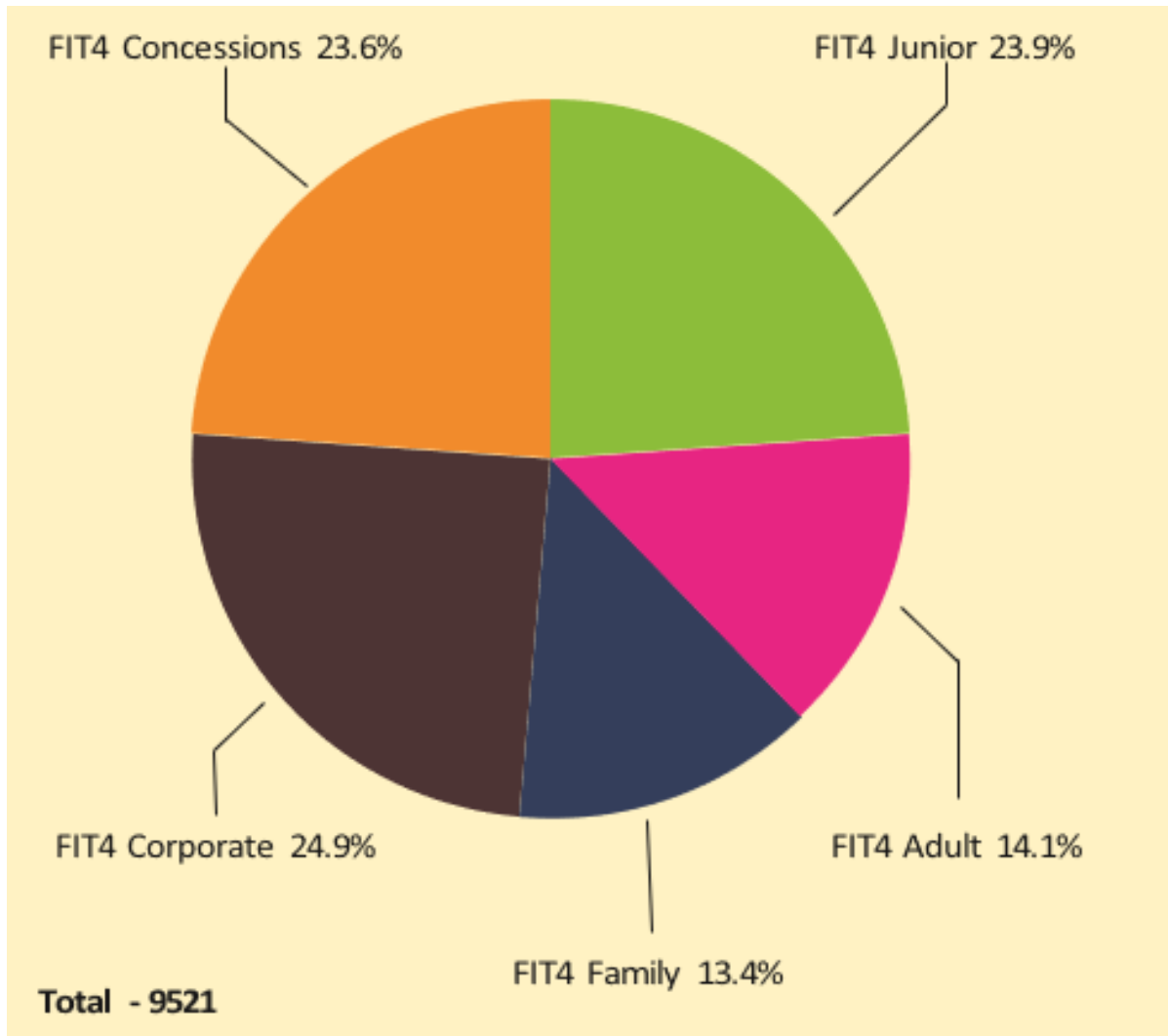
The Trust environment and contracts have continued to be squeezed over the last ten years seeing most leisure contracts go from the council paying the Trust to the Trust paying the council. The margins for a number of Trusts are now very tight, so much so that many operators no longer bid for various contracts and we are dangerously close as an industry to returning to the Compulsory Competitive Tendering (CCT) days of the 1990s where the highest bidder wins the contract rather than quality and localism.

With inciteful TV programmes such as Blue Planet and the power of social media highlighting Greta Thunberg's fight to save the planet, our customers continue to become more aware of all aspects around the environment. South Downs Leisure has a social responsibility to act and in doing so this presents a marketing and financial opportunity to show we lead the way with a Green agenda. Taking away disposables, reviewing and using renewable energy and other technologies will all help with financial savings; however, we also need to ensure we don't stop there. Incorporating this into our holiday programmes as an educational tool is a selling point and applying an environmental impact section in all our Board reports and Senior Management Team meetings will create a positive proactive culture in the future.

Appendix C

Demographics

We currently have 9,521 (April 2019) utilising our five facilities. Breakdown of FIT4 Membership.



The target over the next five years is to get the membership to 9,800 members based on a yield of 32.65 per membership in year one. Although we have exceeded sales targets over the past year, the number of leavers has resulted in a reduction of members overall. Retention is currently our number one priority. The opening of budget gyms is one of the effects on numbers, but numerous initiatives are in place to increase numbers including exploration of new classes and sports activities, generic programming improvements, customer service works, robust marketing, IT strategies, telephony upgrades and new sales promotions.

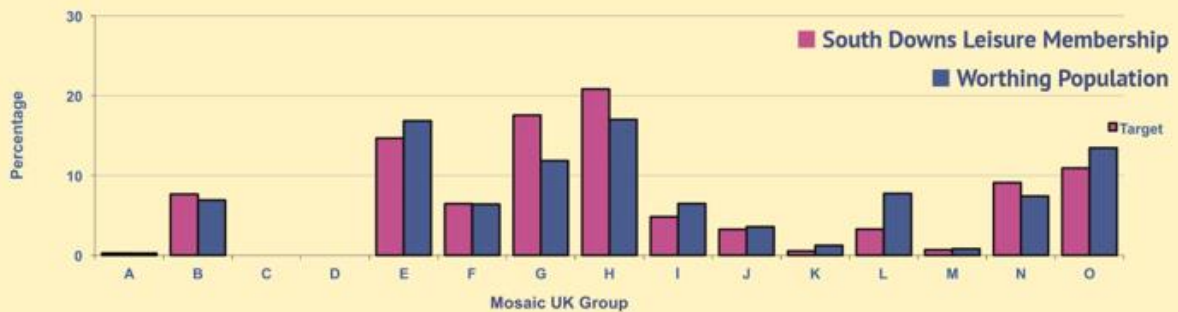
DEMOGRAPHIC COMPARISON

South Downs Leisure Members vs Worthing population demographic breakdown.

Mosaic UK - Group

		Target	%	Base	%	Pen	Index	
A	City Prosperity	31	0.3	285	0.3	10.88	104	
B	Prestige Positions	876	7.7	7,577	6.9	11.56	111	
C	Country Living	0	0.0	0	0.0	0.00	0	
D	Rural Reality	0	0.0	0	0.0	0.00	0	
E	Senior Security	1,680	14.7	18,449	16.8	9.11	87	
F	Suburban Stability	739	6.5	7,010	6.4	10.54	101	
G	Domestic Success	2,010	17.6	12,989	11.9	15.47	148	
H	Aspiring Homemakers	2,384	20.8	18,649	17.0	12.78	122	
I	Family Basics	553	4.8	7,101	6.5	7.79	75	
J	Transient Renters	371	3.2	3,917	3.6	9.47	91	
K	Municipal Challenge	61	0.5	1,358	1.2	4.49	43	
L	Vintage Value	374	3.3	8,490	7.7	4.41	42	
M	Modest Traditions	78	0.7	884	0.8	8.82	84	
N	Urban Cohesion	1,043	9.1	8,125	7.4	12.84	123	
O	Rental Hubs	1,249	10.9	14,757	13.5	8.46	81	
		11,449		109,591				

South Downs Leisure Membership compared to Worthing Population by Mosaic UK Groups



Mosaic UK is a consumer classification based on in-depth demographic data. It helps you understand your customers in detail so you can reach the right people with the right message at the right time. All demographic data is fed into sales and marketing strategies to ensure the best engagement with our customers.

Further information: www.experian.co.uk/mosaic

Analysis has shown that the majority of our customers currently come from four main postcode sectors, all of which are located in close proximity to our venues.

H Aspiring Homemakers

Younger households setting down in housing priced within their means

Ryan & Kate
8.79% | 8.17%



Key Features

- Younger households
- Full-time employment
- Private suburbs
- Affordable housing costs
- Starter salaries
- Buy and sell on eBay

Who We Are

Age 26-35 37.2% 210	Household Income £40k-£49k 20.9% 165
Household composition Pseudo family 19.6% 219	Number of children 2 children 18.2% 198
Tenure Owned 77.2% 120	Property type Semi-detached 41.3% 156

Channel Preference

117	100	109
82	44	92

Technology Adoption



G Domestic Success

Thriving families who are busy bringing up children and following careers

Jonathan & Clare
6.86% | 7.05%



Key Features

- Families with children
- Upmarket suburban homes
- Owned with a mortgage
- 3 or 4 bedrooms
- High internet use
- Own new technology

Who We Are

Age 36-45 41.6% 231	Household Income £70k-£99k 21.5% 332
Household composition Family 47.3% 191	Number of children 2 children 24.0% 261
Tenure Owned 92.6% 144	Property type Detached 39.0% 219

Channel Preference

65	100	108
81	67	97

Technology Adoption



E Senior Security

Elderly people with assets who are enjoying a comfortable retirement



Key Features

- Elderly singles and couples
- Homeowners
- Comfortable homes
- Additional pensions above state
- Don't like new technology
- Low mileage drivers

Who We Are

Age 66+ 69.4% 435	Household Income <£15k 33.2% 192
Household composition Single 52.4% 321	Number of children No children 96.0% 138
Tenure Owned 95.4% 195	Property type Bungalow 52.2% 331

O Rental Hubs

Educated young people primarily renting in urban neighbourhoods



Key Features

- Aged 18-35
- Private renting
- Singles and sharers
- Urban locations
- Young neighbourhoods
- High use of smartphones

Who We Are

Age 26-35 62.0% 241	Household Income £20k-£29k 56.2% 127
Household composition Single 53.0% 148	Number of children No children 94.3% 125
Tenure Rented 55.2% 407	Property type Flat 72.2% 387

Appendix D

Principles for Growth

The following criteria will be used to assess all future opportunities at South Downs Leisure. These should be used as a guide only and should not rule out opportunities.

1. Articles of Association:

Fits with our charitable objects and is for 'public benefit'. Helps us deliver our agreed Strategic Aims and Vision. Enhances our reputation.

2. People & Partners:

Does this align with our Community Strategy, Values, Workforce Plan/Structure, Staff Policies and will it develop effective, meaningful working relationships with new/existing partners.

3. Finance:

Contributes to our existing fixed costs, covers all new costs and future liabilities. Does not negatively impact on cash flow. Maintains a sustainable business.

4. Performance:

Adds value to the core business and contributes to achieving our KPIs. Does not adversely affect current performance.

5. Geography:

Within Adur & Worthing Borough area (Priority 1) or that of neighbouring LA's (Priority 2). Opportunities further afield need a specific Board decision.

6. Market:

Exploits a competitive advantage or 'USP'. Allows innovation, adds to overall customer experience. Challenges competitors and manages commercial threats. Responds to National Strategies and Funding Streams.

7. The pace of Change:

Does not adversely affect our organisational capacity in the medium-long term. Consideration is given to managing change, its timing and impact on existing agreed priorities and plans.

8. Risk:

Does not conflict with our Strategic Risk Register or affect our risk appetite.

9. Political Issues:

Does not create political tensions or impact negatively on Adur & Worthing policies or Public Health key objectives for the area.

10. Potential

Unlocks further growth opportunities or exploits existing capacity whilst maintaining a strong reputation.

Appendix E

Company Information

South Downs Leisure

Company number: 09204269

Nature of business (SIC): 93110 - Operation of sports facilities

Company type: Private Limited Company by guarantee without share capital use of 'Limited' exemption. Incorporated on 4th September 2014.

Registered Office Address

Field Place, The Boulevard, Worthing, West Sussex BN13 1NP

Bankers

Registered office address – Lloyds, 25 Gresham Street, London EC2V 7HN

Auditors

McCabe Forb Williams

Registered office address - Bank Chambers, 1 Central Avenue, Sittingbourne, Kent ME10 4AE

Solicitors

Winckworth Sherwood

Registered office address - Minerva House, 5 Montague Close, London SE1 9BB

Trustees

Kris Von Habsburg (Chair)

Gillian Jackson (Vice Chair)

Vacant (Staff Trustee)

Lionel Harman (WBC)

Joanne Lawrence-Hall

Sharon Smith

Peter Tyler

Andrew Fleetwood

CEO

Duncan Anderson

Executive Officer

Christopher Bladen (Operations)

Debra Schneider (Finance)

South Downs Leisure Enterprise (subsidiary of SDL)

Incorporated on 13th October 2014

Company number 09261501

Directors

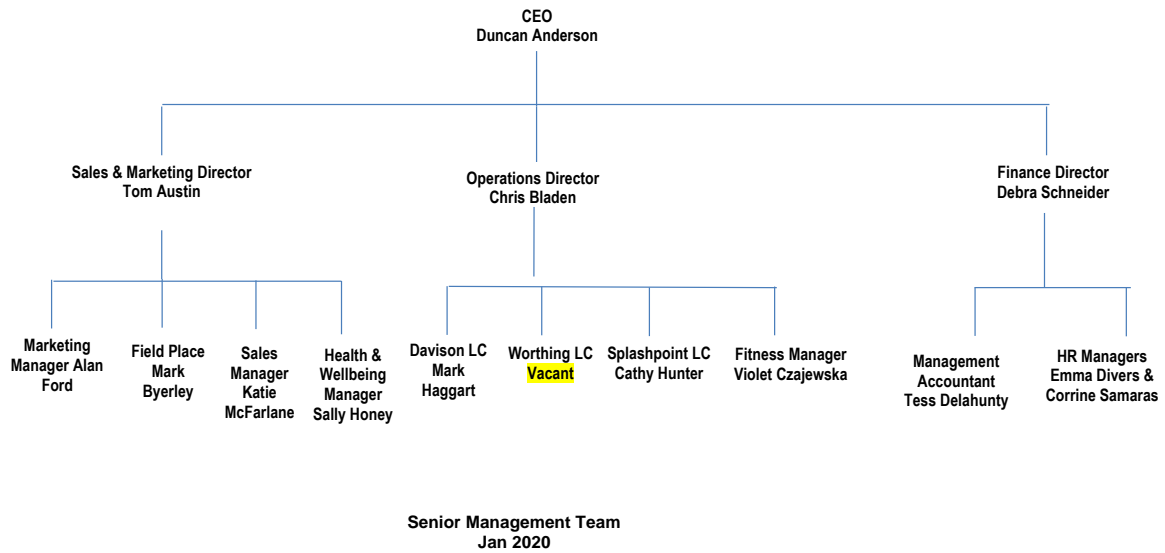
Joanne Lawrence Hall

Kris von Habsburg

Duncan Anderson

Appendix F

Senior Management Team Structure



APPENDIX G

ABOUT US

- South Downs Leisure is a charity set up in 2015 to operate facilities on behalf of Worthing Borough Council. We currently have 20 years left on the lease of three of our facilities which runs until 2040. We operate six sites in Worthing which include:
 - **Splashpoint Leisure Centre**
 - Built-in 2013 costing £18m this building won a World Architect award and helped with doubling the number of children learning to swim in Worthing from 1000 to over 2000. We see approx. 650,000 visitors per year to this facility.
 - **Worthing Leisure Centre**
 - This is a large dry side site which is nearly 50 years old. This venue holds a high number of regional events each year and sees over 550,000 people visit this site each year
 - **Field Place**
 - A grade 2 listed manor house and predominantly a wedding venue now which has seen significant investment in the last three years.
 - **Tarring Tennis Courts**
 - These are seen as an annexe to Field Place despite being approx. 1 mile from Field Place. We operate two tennis courts in the Tarring Church Grounds which is owned by Worthing BC.
 - **Davison Leisure Centre**
 - This is a dual-use site connected to Davison Girls school. This is separate to the Worthing Borough Council contract and has 9 years left on its lease with West Sussex County Council.
 - **Durrington Community Hub**
 - This will hopefully be built in 2020 and will comprise of two meeting rooms, a kitchen, sports hall, a multi use games area and changing rooms.
 - **Palatine Football Centre**
 - This will hopefully be built in 2020 and will consist of one full size floodlit 3G football pitch that also divides into two or four small sided pitches.

APPENDIX H

F&M Agreement 2020-2025

Changes only

- **Service Fee**
 - This will now increase year on year from April 1st 2020 by CPI
- **Utilities**
 - The Council will be removing this agreement from April 1st 2020
- **Car Park**
 - The current agreement states that the Council will no longer support South Downs Leisure with car park refunds once the apartments are completed on the old Aquarena site. This could have a £60,000 impact on South Downs Leisure and even more so if the Council go ahead with proposals to charge £1 per hour for parking after 6 pm. South Downs Leisure have raised this as a major concern with the council given the current financial climate. South Downs Leisure are looking to start charging for non FIT4 members with car parking at Splashpoint which would save the council approx. £50-60k per annum but could impact on our revenue streams.
- **Maintenance**
 - We are in discussion with the council about migrating responsibility over to South Downs Leisure from Worthing Borough Council and currently, an average spend has been presented to South Downs Leisure for approx. 10 items. This needs to be a much more thorough process looking at the replacement and maintenance cost over the remainder of the contract period and averaging this out.

Appendix I

CAPITAL PROJECTS AT SOUTH DOWNS LEISURE

Capital Projects South Downs Leisure	Description	Centre	Area	Amount	
2015	Pool View	Splashpoint	Safety and security	£45,000	
2016	Head Office upgrade	South Downs Leisure	Business Development	£25,000	
2016	Fitness Equipment	Worthing Leisure Centre	Customer and Product development	£208,000	
2016	Sports Hall Flooring	Worthing Leisure Centre	Customer and Product development	£85,000	
2016	CCTV	Worthing Leisure Centre	Safety and security	£10,000	
2016	General Improvements	Field Place	Customer and Product development	£15,000	£388,000
2017	Web development-Weddings	Field Place	Business Development	£5,000	
2017	Office refurb	Worthing Leisure Centre	Business Development	£25,000	
2017	GeneralDirect Debit System	South Downs Leisure	Financial	£20,000	
2017	Fitness Equipment	Splashpoint	Customer and Product development	£240,000	
2017	PC Upgrade	South Downs Leisure	Business Development	£15,000	
2017	Main Hall & Studio Flooring	Funding and SDL	Refurbishment	£64,000	
2017	Flooring	Splashpoint	Customer and Product development	£25,000	
2017	Spinning Bikes	Splashpoint	Customer and Product development	£40,000	
2017	FMS	South Downs Leisure	Financial	£25,000	£459,000
2018	Amazon Soft Play structure	Worthing Leisure Centre	Health & Safety	£17,000	
2018	Gardens	Field Place	Business	£158,000	

			Development		
2018	Accoustics	Splashpoint	Customer and Product development	£20,000	
2018	Sensory room	Worthing Leisure Centre	Social Inclusion	£14,000	
2018	Fitness Equipment	Davison Leisure Centre	Business Development	£11,000	
2018	Changing Facilities	Davison Leisure Centre	Customer and Product development	£7,000	£227,000
2019	Booking System	South Downs Leisure	Business Development	£40,000	
2019	Phone System	South Downs Leisure	Business Development	£25,000	
2019	Spinning Bikes	Worthing Leisure Centre	Customer and Product development	£50,000	
2019	Refurbish Studio	Worthing Leisure Centre	Customer and Product development	£40,000	
2019	Pole Fitness and Studio	Worthing Leisure Centre	Customer and Product development	£12,000	
2019	HR System	South Downs Leisure	Business Development	£25,000	
2019	Replacement of PC's	South Downs Leisure	Business Development	£20,000	
2019	Refurbish bar and reception	Field Place	Business Development	£30,000	
2019	Payroll	South Downs Leisure	Financial	£25,000	
2019	Pool Cover	Splashpoint	Health & Safety	£14,000	
2019	Diving Board Steps	Splashpoint	Health & Safety	£15,000	
2019	Web & App Development	South Downs Leisure	Business Development	£20,000	£316,000
					£1,390,000
	Capital Projects WBC				
2015	Car Park	Field Place	additional 54 spaces	£120,800	
2015	Toilet & House Refurbishment	Field Place	New toilets	£45,600	
2015	Fire Detection	Field Place	Replacement works	£32,900	
2015	Glazing	Worthing Leisure Centre	Renewal	£5,550	£204,850
2016	M&E Works	Worthing Leisure Centre	Pipework replaced after 45 years	£273,920	

2016	Fire Detection	Field Place	New system	£71,510	
2016	Fire Detection	Worthing Leisure Centre	New system	£71,510	£416,940
2017	Glazing Café	Worthing Leisure Centre	replaced from wood to PVC	£50,670	
2017	Main Hall & Studio	Worthing Leisure Centre	Replacement of floor and studio	£32,000	£82,670
2018	Athletics Track	Worthing Leisure Centre	repair and respray	£122,520	
2018	Lighting	Worthing Leisure Centre	Café and sports hall LEDs	£40,000	£162,520
This excludes snagging issues from Splashpoint					£930,980

Appendix J

The following tables have been produced to highlight the sensitivity around our FIT4 memberships using two models. One based on 9300 memberships and one based on 9100 memberships.

The table below assumes FIT4 membership dropping to 9300 per month and no changes to staffing

SOUTH DOWNS LEISURE FORECAST					
	2020-21	2021-22	2022-23	2023-24	2024-25
Income	6,273,264	6,332,508	6,406,968	6,481,656	6,556,575
Depreciation	170,222	170,222	170,222	170,222	170,222
Expenditure	6,169,765	6,283,117	6,359,987	6,438,372	6,518,342
Surplus/(Deficit)	(66,723)	(120,831)	(123,241)	(126,938)	(131,989)
Gift from Enterprise	0	0	0	0	0
Net Surplus	(66,723)	(120,831)	(123,241)	(126,938)	(131,989)
Cumulative Surplus/(Deficit)	(66,723)	(187,554)	(310,796)	(437,734)	(569,723)

The figure below assumes FIT4 membership dropping to 9100 per month and no changes to staffing

SOUTH DOWNS LEISURE FORECAST					
	2020-21	2021-22	2022-23	2023-24	2024-25
Income	6,193,704	6,251,508	6,324,528	6,397,776	6,471,255
Depreciation	170,222	170,222	170,222	170,222	170,222
Expenditure	6,169,765	6,283,117	6,359,987	6,438,372	6,518,342
Surplus/(Deficit)	(146,283)	(201,831)	(205,681)	(210,818)	(217,309)
Gift from Enterprise	0	0	0	0	0
Net Surplus	(146,283)	(201,831)	(205,681)	(210,818)	(217,309)
Cumulative Surplus/(Deficit)	(146,283)	(348,114)	(553,796)	(764,614)	(981,923)

Cashflow Forecast for the next five years showing quarterly movements:

SOUTH DOWNS LEISURE FORECAST 2020-2021	Q1	Q2	Q3	Q4
Opening Balance	507,205	545,566	589,521	584,114
Surplus/(Deficit)	38,361	43,955	(5,407)	93,233
Capital Expenditure	0	0	0	22,000
Closing Balance	545,566	589,521	584,114	655,347
SOUTH DOWNS LEISURE FORECAST 2021-2022	Q1	Q2	Q3	Q4
Opening Balance	655,347	691,999	734,270	754,077
Surplus/(Deficit)	36,652	42,272	19,807	121,276
Capital Expenditure	0	0	0	0
Closing Balance	691,999	734,270	754,077	875,353
SOUTH DOWNS LEISURE FORECAST 2022-2023	Q1	Q2	Q3	Q4
Opening Balance	875,353	922,449	975,231	1,005,784
Surplus/(Deficit)	47,096	52,782	30,553	140,005
Capital Expenditure	0	0	0	177,000
Closing Balance	922,449	975,231	1,005,784	968,789
SOUTH DOWNS LEISURE FORECAST 2023-2024	Q1	Q2	Q3	Q4
Opening Balance	968,789	1,016,299	1,069,553	1,100,819
Surplus/(Deficit)	47,510	53,254	31,266	143,427
Capital Expenditure	0	0	0	5,000
Closing Balance	1,016,299	1,069,553	1,100,819	1,239,246
SOUTH DOWNS LEISURE FORECAST 2024-2025	Q1	Q2	Q3	Q4
Opening Balance	1,239,246	1,291,511	1,349,574	1,385,889
Surplus/(Deficit)	52,265	58,063	36,315	154,760
Capital Expenditure	0	0	0	5,000
Closing Balance	1,291,511	1,349,574	1,385,889	1,535,649

Appendix K

Competitor analysis Digital

Over the next two years we need to focus our Sales and Marketing attention more towards digital and targeted campaigns. At the same time, we need to sharpen up our approach with the sales team review the product and membership offer.

Our aim must be to be in the top two for all the below tables.

After running searches for Gyms and Fitness in Worthing, aside from SDL these were the brands that came up on Google:

Key Competitors within Worthing

							
-Opened 2004	-Opened 2018	-Opened 2016	-Opened 2011	-Opened 2017	-Opened 2018	-Opened 2015	-Opened 2017
-Chain	-Chain	-Chain	-Independent	-Chain(impulse)	-Independent	-Independent	-Independent
-Health Club (premium)	-Budget Gym (cheap)	-Gym (24 hours)	-Boutique Gym (small)	-Budget Gym (cheap)	-Specialist Gym (combat/boxing)	-Specialist Gym (weights/lifting)	-Health Club (over 60's)
Membership: £80.00/£120 POA	Membership: £20.99	Membership: £32.95	Membership: £29.00	Membership: £20.00	Membership: £22.50	Membership: £42.00	Membership: £75.00
-Offer Classes -Les Mills	-No contract -No Joining Fee	-24 hours	-No contract -No Joining Fee	-No contract -New	-No contract -No Joining Fee		-Offer Classes -Les Mills -Swimming
- Indoor and Outdoor pools	-New						
-High end facilities	-24 hours						

Looking at the above brands, the boutique and specialist Gyms aren't quite hitting the same target market for members as SDL, therefore for any further analysis I have decided to focus on 5 out of the 7 above mentioned Gyms and also added in Impulse Leisure in Lancing, as their business model is the closest to ours (Leisure Trust).








Price:

Gyms ranked from one 1-5 how affordable their standard membership is. (1 Best/5 Worst)

						
4	7	2	3	1	6	5

Website:

Websites rate out of 1-5 on how long they take to load, how visually appealing they are, standard of imagery/video content, accessibility, user friendly, informative. (1 Best/5 Worst)

						
<p>Loading – Majority of pages, fast responsive, 2 seconds except class timetable 5 seconds 3/5</p> <p>Imagery – Bright, engaging, inconsistent, videos not embedded 3/5</p> <p>Accessibility and user friendly – 4/5</p> <p>Informative – 4/5</p> <p>Total 14/20</p>	<p>Loading – All pages 1-2 seconds, including timetable. 5/5</p> <p>Imagery – Clean, bright, consistent, high res images, videos not embedded Too much text? 4/5</p> <p>Accessibility and user friendly – 4/5</p> <p>Informative 4/5</p> <p>Total 17/20</p>	<p>Loading – All pages 1-2 seconds, including timetable. 5/5</p> <p>Imagery – Clean, bright, consistent, animated content, consistent, high res images, videos not embedded 4/5</p> <p>Accessibility and user friendly – 4/5</p> <p>Informative – not specifically tailored to Worthing as a chain 3/5</p> <p>Total 15/20</p>	<p>Loading – Majority of pages, average, 3 seconds most pages opened additional tabs taking extra time 5 seconds 3/5</p> <p>Imagery – Clean, bright, consistent, lacking photo and video content 2/5</p> <p>Accessibility and user friendly – Simple to use 4/5</p> <p>Informative – not specifically tailored to Worthing as a chain 2/5</p> <p>Total 11/20</p>	<p>Loading – All pages 1-2 seconds, including timetable. 5/5</p> <p>Imagery – Clean, bright, consistent, high res images, videos embedded, could do with some more visual representations on pages 3/5</p> <p>Accessibility and user friendly – Simple to use 4/5</p> <p>Informative 4/5</p> <p>Total: 16/20</p>	<p>Loading – All pages 1-2 seconds, including timetable. 5/5</p> <p>Imagery – Great video auto playing on landing page. Visually attractive. Clean, bright, consistent, high res images, videos embedded 4/5</p> <p>Accessibility and user friendly – 4/5</p> <p>Informative 4/5</p> <p>Total 17/20</p>	<p>Loading – All pages 1-2 seconds, including timetable. 5/5</p> <p>Imagery – Dated, inconsistent fonts, images high res, not used to full potential, one video, not imbedded, had to look for it. 2/5</p> <p>Accessibility and user friendly – 3/5</p> <p>Informative – 3/5</p> <p>Total 13/20</p>
5	2	4	7	3	1	6

Summary:

Findings: SDL Site has issues with class timetable page, loading speed, layout. Some images high res, some images low res, videos not embedded.








Recommendations: Revisit active in time setup, discuss with them why the loading speed is an issue when another similar business model have the same software running more efficiently?

Update photo and video content, decide on a consistency for imagery; inspirational, stock, real etc.

Embed videos or use vimeo to host to avoid low res images before videos play.

Social Media Accounts:

Social media accounts rated from 1-5 on how regularly they are being used, how visually appealing they are, standard of imagery/video content, whether the relevant platform is being used correctly, informative. (1 Best/5 Worst)

						
<p>Facebook - Within 14 day period: 1-5 posts a day were published. 50% engaging, 30% visually appealing, inconsistent voice, inconsistent imagery, high res, low res, real, stock, clashing colours, no consistent theme, consistent branding. Posts usually relevant to followers and received a positive interaction.</p> <p>Instagram and Twitter showed the same content with less frequent usage, average 2 per day, mostly posting not at all or 3-5 times in a day.</p> <p>Social posts all posted out across all platforms, not specifically targeted to best platform.</p> <p>Quantity over Quality? 2/5</p> <p>7</p>	<p>Facebook - 1 post a day, sometimes less. One consistent voice, mixture of high and low res, engaging photos, lacking video, unbranded.</p> <p>Instagram - Less than one post a day, visually appealing feed, mixture of platform appropriate and text driven posts 80%/20%</p> <p>Twitter - generic chain account to cover all national centres. Less than once a day, visually appealing, content right for audience</p> <p>Quality over Quantity at the moment</p> <p>3/5</p> <p>2</p>	<p>Facebook - less than 1 post a day. Consistent, well branded, one voice, clear theme, clear colour palette, great use of images and video</p> <p>Twitter - Once a month, low usage, great content, branding up relevant or political news in company branding and making it relevant.</p> <p>Instagram feed very visually appealing, something to strive towards. Consistent, well branded, one voice, clear theme, clear colour palette, great use of images and video.</p> <p>Social platforms kept to an extremely high standard. One negative is that they are generic chain account to cover all national centres.</p> <p>4.5/5</p> <p>1</p>	<p>Facebook - Usually 1 post a day, always less than 2 posts. Consistent, well branded, one voice, clear theme, clear colour palette, great use of images and video Great engagement via re posting customer journeys and achievements.</p> <p>Twitter - less than 1 post a day. Mixture of high res branded campaign material and low res content.</p> <p>Instagram - feed very visually appealing. Consistent, well branded, one voice, clear theme, clear colour palette, good use of images and video.</p> <p>Generic and targeted accounts for Worthing branch</p> <p>4/5</p> <p>4</p>	<p>Facebook - usually 2 posts a week, a good amount of positive engagement, very clear and consistent branding, colour theme, fonts, images, tying in with artwork, photos, posts and their Centre design/materials.</p> <p>Instagram - Very visually appealing, consistent branding, colour, fonts, images, and video all in keeping with theme of feed.</p> <p>Twitter - inactive for a few months, used to post twice a week. Content was good, engaging, visually appealing, just lacking frequency.</p> <p>3/5</p> <p>5</p>	<p>Best Facebook landing page out of all competitors, high res video auto playing in banner header. Visually appealing, colour palette strong, fonts consistent.</p> <p>Instagram - 1 post a day, visually very appealing, artwork and branding strong, good clear green colour palette (green) but when they have campaigns that aren't of that palette they switch to white branding, strong feel.</p> <p>Twitter - account exists, last used 2017 twitter presence non-existent.</p> <p>4/5</p> <p>3</p>	<p>Facebook - 1 post per day, strong attractive imagery, using platform to appeal to relevant audience.</p> <p>Instagram - not frequently used some nice posts, inconsistent.</p> <p>Twitter - average posts twice a week, used well, strong branding, consistent imagery, attractive feed</p> <p>3/5</p> <p>6</p>


Summary:

Findings: SDL social accounts appear messy, unordered, maybe take notes from The Gym/The Gym Hub for Instagram and consistency. All competitors are using less than us but arguably more effectively? A clear colour theme to go with branding for cognitive reinforcement? SDL currently adopt too many colours to make an association.

Recommendations: Focus on quality of content even if that means posting less, limit accounts to a certain amount of posts per day to ensure important messages aren't hidden from our followers. Confirm themes for feeds, keep content targeted for channels instead of posting same content across all platforms.

Facilities:

Facilities rated from 1-5 on what facilities they have available for their members. (1 Best/5 Worst)

						
<ul style="list-style-type: none"> - 370+ Classes per week -Track -3G pitches -Outdoor Tennis courts -Petanque pit -Squash Courts -Badminton courts -Netball Courts -Sports Halls -Spas -Trampolines -Stages Bikes - Immersive Studio -Pole Studio -Creche -Kids Clubs -Competition Pool -Diver Pool -Leisure Pool -4 x Gyms -2 x Coffee House -Weights Room -Soft Play 	<ul style="list-style-type: none"> -Gym -Free Classes -Cycling studio -Blaze studio -Indoor Tennis courts -Outdoor Tennis courts -Badminton courts -Indoor Pool -Heated Outdoor Pool -Spa facilities - Kids Holiday Club -Crèche services -Cafe 	<ul style="list-style-type: none"> -Gym - Free Classes 	<ul style="list-style-type: none"> -Gym - Free Classes - Spin studio 	<ul style="list-style-type: none"> -Gym 	<ul style="list-style-type: none"> -Gym - Free Classes - 1 X Pool - Cycling Studio 	<ul style="list-style-type: none"> -Gym - 370+ Classes per week -Track -3G pitches -Outdoor Tennis courts -Petanque pit -Squash Courts -Badminton courts -Netball Courts -Sports Halls -Spas -cycling studio -Creche -Kids Clubs - Pool -Café -Weights Room
1	3	6	5	7	4	2

Summary:

Findings: SDL has the largest offering for its members and is definitely our USP.

Recommendations: Maximise this offering, ensure we stay above our competitors and they don't catch us up by continuing to offer new facilities for them. Make sure marketing content is targeted at showcasing our offering. Ensure the standard of each site is high visually and cleanliness to make sure there is nothing putting members off visiting or cancelling their membership as the product is still the same product that attracted them in the first place.

Customer Opinions:

Gyms rated from 1-5 on customer google reviews. Repeated negative comments in red.
(1 Best/5 Worst)

						
Worthing Leisure Centre 4.1 Stars	4.1 Stars	4.6 Stars	4.8 Stars	4.7 Stars	4.3 Stars	3.5 Stars
Splashpoint Leisure Centre 4.1 Stars						
Davison Leisure Centre 4.2 Stars						
Worthing College Fitness Centre 4.5 Stars						
Booking system, age of WLC, website, parking at SPLC	Price, Customer service, cleanliness	Busy			Rude owner	Expensive, rude staff
Average: 4.2						
5	6	3	1	2	4	7

Summary:

Findings: Newer facilities appear to be rated higher but with less reviews.

Recommendations: Listen to our customer feedback, monitor negative reviews and address booking system, WLC site and parking options for SLC customers.