

CHORLEY LEISURE LTD

Business Plan 2022/23

**Chorley
Leisure.**

A company owned by Chorley Council

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Welcome to the Chorley Leisure Ltd Business Plan, setting out our vision and key aims for the year 2022/23.

Currently in our fledgling year, the business plan will take a brief look at the period leading up to the formation of the Company and set out our plans for future growth.

The team at Chorley Leisure have faced and overcome unprecedented challenges in the last 18 months, and it is from these achievements and successes that we take confidence in our ability to grow Chorley Leisure and increase its positive impact on the health and wellness of Chorley residents in the years to come.

Chorley Leisure Ltd was formed and began operating on the 1st August 2021. The company is owned by Chorley Council who have appointed a Board of Directors:

- Director of Commercial Services – Mark Lester
- Director of Governance – Chris Moister
- Director of Finance – Louise Mattinson

The Company and Chorley Council have established a partnership based on the partnership principles of:

- Mutual respect
- A shared vision and operational philosophy
- A shared commitment to increasing participation in sport and physical activity and championing inclusivity in Chorley, particularly amongst identified under-represented groups including disabled people
- Proactive collaboration and cooperation
- Partnership working with key public, private and third sector organisations involved with enabling and delivering opportunities for sport and physical activity participation
- Effective and regular communication and transparent financial and non-financial reporting
- A proactive approach to identifying new opportunities to develop or enhance the services.

The Strategic Partnership Board

The Board has ultimate responsibility for the governance of the company and, alongside other members of the Strategic Partnership Board, support Chorley Leisure to deliver the company's Strategic Priorities. The Strategic Partnership Board, made up of key representatives from the Company and the Council, meet quarterly to discuss progress on Annual Service Plans, progress against Strategic Priorities and contributions towards wider local Strategic Outcomes, financial performance, communications, branding and marketing, service improvement opportunities, variations to contract and commissioning opportunities and any other matters of a strategic nature considered appropriate for discussion by the Board.

Portfolio Holder	Council
Director of Communities	Council
Service Lead - Communities	Council
Representative - Communications	Council
Director of Commercial Services	Company
Director of Governance	Company
Director of Finance	Company
Leisure Contract Manager	Company

ABOUT US

3 x leisure facilities located in the Chorley Borough

All Seasons Leisure Centre, Clayton Green Sports Centre and Brinscall Swimming Pool

Responsible for the operational and commercial running of the new West Way Sports Hub

A team of 60 staff, including permanent and casual team members

Deliver curriculum led school swimming to 32 schools, with 1267 pupils learning to swim at a Chorley Leisure pool in 2021

1182 children on Learn to Swim Program

2517 current membership holders

17,527 ad-hoc 'casual' account users

Supporting 5 local schools in their delivery of additional PE activities to pupils

Supporting 8 groups in their delivery of physical activity to children and adults with additional needs

Royal Life Saving Society delivery partner, coaching 19 Chorley residents to gain a National Pool Lifeguard Qualification in 2021

Proud supporters of Heartbeat, Better Health Better Self, Chorley Buddies, the MS Society, Walking Football, Chorley Marlins, Withnall

Amateur Swim Club, School Sports Partnership, Chorley Athletics and more

REVIEW OF 2021/22

The leisure industry, like many other sectors, has been irrevocably changed by the pandemic and we as Operators are still learning how best to adapt our businesses for recovery. To understand operations and performance for the year 2021/22 for Chorley Leisure Ltd it is necessary to give a brief background of the previous year, namely Oct 2019 to December 2020. It is difficult to overstate not just the turbulence and disruption experienced by the contract, staff and centre users – both pre, during and in future months post pandemic – but also the lasting impact of the events of the last 18 months.

In October 2019 Active Nation learnt that the Chorley Leisure contract would be awarded to new operators; upon receiving the news they made the decision to run the sites on an ‘efficiencies’ model for the remainder of the contract. ‘Efficiencies’ meant mass redundancies, a zero spend policy with regards to repairs and maintenance and a reduction in the offering of activities and facilities to members of the Chorley community. This ultimately led to declines in participation, membership numbers and staffing levels, and the refusal to fund any repairs or maintenance caused the centres to fall into a state of disrepair.

February and March 2020 saw a steep decline in usage and the mass freezing and cancellation of memberships as the concerns around COVID-19 escalated. The public were advised to avoid any and all unnecessary interaction with non-family members, culminating in the government announcing all gyms and leisure centres must legally close their doors on the 20th March 2020. This temporary closure initially predicted to last weeks ended up lasting for 4 months.

The tentative reopening of the sites in July 2020 was met with a positive but very cautious reaction from residents, and whilst some returned most stayed away and chose to exercise at home or outside. Swimming lessons were still not allowed to take place and the normally packed summer holiday fun swim sessions were heavily restricted and subdued.

In an additional blow the agreement to install Life Leisure as the new leisure operator for the Chorley sites then collapsed in September 2021, 4 weeks before their intended start date, leaving the contract and staff facing a very uncertain future. Emergency provisions were put in place by Chorley Council to step in to ensure continuity of service for residents and employment for staff, but the withdrawal of Life Leisure left the contract with no equipment, no IT infrastructure and no membership system, amongst other things. The lack of a membership system caused all existing memberships that should have been transferred from Active Nation to lapse, meaning Chorley Leisure - as of the 1st October 2020 - had exactly 0 members.

The leisure centres faced a further 5 months of closure under national lockdowns followed by another 3 months of operation under heavy restrictions, with restrictions beginning to be relaxed in July 2021. In August 2021 the contract faced another hurdle when BT removed internet access at all sites, cutting access to card machines, phonelines, email accounts and the booking system completely for 3 weeks. This threw the normal operation of the centres into disarray and left the team unable to take any bookings or payments.

In reality, Chorley Leisure began moving towards some normality of operations (a heavily caveated version at least) in September 2021, and this is reflected in the usage and income figures for the year 21/22.

Fast forward to January 2022 and it is clear to see the work that has been done. A full leisure staffing review has been completed, with all new roles now in place. New and improved T&Cs have been introduced for all CLL employees, with pay grades now reflective of the roles and responsibilities undertaken by staff. 70% of activities available pre-COVID have been reintroduced across the contract in some way, shape or form, with robust and sustainable plans being drafted for the return of others such as a hot food and beverage offering and children parties. Membership recovery is underway, with 2517 residents now on monthly memberships with Chorley Leisure.

There has been an enormous amount of work and effort from the Leisure team and the team at Chorley Council, and the commitment from both companies has been outstanding.

SUCCESSES

- All staff TUPE'd from Active Nation to Chorley Council
- Purchase, set up and installation of leisure specific equipment and software – Legend, CoursePro, app, IT infrastructure, gym equipment
- Leisure staffing review – new structure created, consultation process completed, new T&Cs, staff in new positions prior to 1st August 2021
- All staff TUPE'd from CBC to Chorley Leisure Ltd on 1st August 2021
- 12 existing leisure staff applied for and achieved promotions since July 2021
- Assumed operational and commercial responsibility for West Way Sports Hub in July 2021
- £450,000 of outstanding maintenance works carried out, including upgrades to the BMS, car park and pool plant at All Seasons and boiler replacement at Clayton Green
- Initiated project with Right Directions to review and update all Health and Safety for Chorley Leisure Ltd
- Installation of software to support all aspects of H&S, accident and incident reporting and maintenance in collaboration with Right Directions
- 2517 new members since April 2021
- 32 schools returned to swimming from April 2021
- 1182 children rejoined the swim program since April 2021

- 15 staff supported to achieve external leisure specific qualifications through funding provided by Chorley Leisure Ltd since July 2021
- Full replacement of gym equipment at All Seasons and Clayton Green in December 2021

CHALLENGES

- Staffing resources – reduced openings hours, inability to grow swim program, waiting lists for swim enrolment (national problem), customer service offering
- External recruitment – in all areas, but swim teachers in particular
- Restrictions on occupancy due to distancing and ventilation – many spaces are now not fit for their original purpose post lockdown due to new H&S guidance
- Challenges with software and IT infrastructure
- Reduced service offering due to Active Nation legacy eg café, gym instruction, group exercise offering, bubble pool

FOCUS FOR 2022/23

Growth of Membership Base	<ul style="list-style-type: none">• Focus is a return to pre-Active Nation exit membership numbers (pre-Oct 2019)• Net gain of 870 members across pay monthly memberships, annual members and swimming lesson direct debits• Introduction of new 12-month memberships to improve retention• Introduction of new 'contract swim' membership to replace swim only memberships at All Seasons and Brinscall, to increase both yield and participation• Growth supported by the procurement of new gym equipment at All Seasons and Clayton (completed Dec 2021) and planned increases to the programs of activity• Membership growth will be accelerated if/when capital works commence	<p>Strategic Priority Two: Deliver a sustainable community leisure offer which complements local partnership development</p> <p>Strategic Priority Four: Increase participation across a wide demographic through the greater use of inspirational and engaging activities delivered within facilities and in the community</p> <p>Strategic Priority Five: Align and support the priorities for prevention and early interventions and the public service reform agenda.</p>
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Branding & Company Identity	<ul style="list-style-type: none"> • Exercise needed in creating brand and company identity • Company mission statement, values and standards • Customer journey and experience • Branding and aesthetics – uniform, logo, ambient media etc • Build Chorley Leisure Ltd website • Combination of external procurement and collaboration with CBC departments eg comms, marketing, IT 	<p>Strategic Priority One: High quality facilities with a reputation for excellent customer service.</p>
Junior, 60+ and Community Programming	<ul style="list-style-type: none"> • Spearheaded by the team at Clayton Green • Clayton Green to become to contract hub for community health and wellness programming, with a focus on increasing junior and 60+ participation • Supporting and supported by local partners such as: Heartbeat, School Sports Partnership, Lancs FA, Inspire, the Chorley SEND network and more • CLL will offer a minimum of 15 hours hire per week FoC t local community groups 	<p>Strategic Priority Two: Deliver a sustainable community leisure offer which complements local partnership development</p> <p>Strategic Priority Four: Increase participation across a wide demographic through the greater use of inspirational and engaging activities delivered within facilities and in the community</p> <p>Strategic Priority Five: Align and support the priorities for prevention and early interventions and the public service reform agenda.</p>

Recruitment and Staff Development	<ul style="list-style-type: none"> • Recruitment of swim teachers is highest priority moving into 2022/23 • Every additional hour of teaching provides 24 children the opportunity to participate in swim lessons • CLL will continue to offer trainee swim teacher opportunities, funding qualifications that lead to employment • Existing staff will have opportunities for funded training, including NEBOSH and IOSH H&S qualifications 	<p>Strategic Priority One: High quality facilities with a reputation for excellent customer service.</p> <p>Strategic Priority Two: Deliver a sustainable community leisure offer which complements local partnership development</p> <p>Strategic Priority Four: Increase participation across a wide demographic through the greater use of inspirational and engaging activities delivered within facilities and in the community</p>
Capital Investment	<ul style="list-style-type: none"> • Future growth reliant on refurbishment works commencing across the contract, starting with dryside works at All Seasons • Access control are essential at All Seasons and Clayton, and will form part of phase one of refurbishment • Further detail of proposed capital investment can be found in section 7 of the Business Plan 	<p>Strategic Priority One: High quality facilities with a reputation for excellent customer service.</p> <p>Strategic Priority Three: Ensure assets meet the current and future physical activity and leisure needs of Chorley residents</p>

FINANCE

Chorley Leisure Limited was set a three year initial financial plan by the Council detailing the expectation across various budget lines over the period 21/22 – 23/24. Set at a period of significant uncertainty it is acknowledged there is variation from these plans on individual lines but overall the expectation of this Business Plan is that the bottom line targets set are achievable.

Over the next two years we will be working to reduce the Council's revenue contributions, moving to a position of financial independence. This will be facilitated by the capital investment project, with the initial increase in income being driven by the dryside refurbishment project at All Seasons Leisure Centre.

There are a number of factors both external and internal to the Company which could impact the ability to reach these targets, these are detailed in the Risk section of the Business Plan.

Fees and Charges

The majority of income is generated from monthly membership fees alongside casual and fun swims, school swimming income and Council support. These fees were last revised in the approved Service Specification, however these charges do not represent an increase in charges and have not yet been implemented; this plan assumes the introduction of them from 1st April 2022. It is felt that currently, due to the turbulence of the last 18 months at the leisure centres, the best way to return income to pre-COVID levels is through growth in memberships ahead of inflationary rises.

The core membership fees set by the company are detailed below:

MEMBERSHIP PRICING	ALL SEASONS LEISURE CENTRE	CLAYTON GREEN SPORTS CENTRE	BRINSCALL SWIMMING POOL
Premium (all centres, all activities)			
Flexi (3 month then rolling)	£36 per month	£36 per month	£36 per month
12 Month	£32 per month	£32 per month	£32 per month
Annual	£320 per year	£320 per year	£320 per year
Home Centre (one centre, all activities)			
Flexi (3 month then rolling)	£30 per month	£23 per month	
12 Month	£27 per month	£21 per month	
Annual	£270 per year	£210 per year	
Swim Only (access to both pools)			
Flexi (3 month then rolling)	£25 per month		£25 per month
12 Month	£23 per month		£23 per month
Annual	£230 per year		£230 per year

Medium Term Budgets

The budgets set by the Council prior to the Company coming into existence covered the period 21/22-23/24. The uncertainty of growth during COVID lockdowns and other restrictions means there was difficulty in predicting future income streams, but while there are still a number of factors which make budget setting hard to predict the company have set budgets to reflect its expectations over the coming years.

It should be noted the budgets set by Council for 21/22 and beyond were based on an expectation of a reduction of COVID income using assumptions from available information at the time, which was unfortunately very limited. This is also reflected in the forecasting of costs associated with services provided to CLL by the Council - such as HR support, IT management and Property Management – for which CLL may be presented with higher costs SLAs than anticipated for the year 22/23, due to the hindsight of 12 months of services now provided. This is highlighted in the Risk section of the Business Plan, alongside a potential high rise in utility costs, the extent of which will not be known until after 1st April 2022.

The 22/23 and 23/24 figures are informed by the most recent information of the Company's finances, but there is still significant uncertainty and it is too early to draw trends from this in complete confidence. The 22/23 income budget includes an assumption of a 15% increase in Group Exercise and Membership income streams following capital works to All Seasons, and it is hoped that these works will promote an overall increase in membership beyond the assumptions of membership rises already built in to the figures. The 23/24 budget includes assumptions of a 3% fees rises, a 10% general growth in membership and increased income due to sales within the shop/café (offset but cost of sales cost increases).

Currently the business plan shows a variance from the agreed Council set budget of £115k. It is believed that given the capital works and increase in memberships that this gap can be bridged, but it important to clarify at this stage that there are risk factors that could create significant challenges to reach this figure should everything else not go as expected; issues such as further COVID restrictions affecting occupancy, increase to running costs, delays to capital works, significant staffing changes etc – these are detailed in the Risk section of the Business Plan.

The Company will conduct a budget review 6 months into the 22/23 financial year when hopefully there should be more data to allow for greater accuracy and also to extend the financial business plan into 25/26 to correlate with the Council's budget setting in 23/24.

Detail Name	Council Set			Revised Business Plan		
	21/22	22/23	23/24	21/22	22/23	23/24
Total Income	-1,787,161	-2,102,536	-2,426,388	-1,787,161	-1,936,359	-2,243,894
Council Support	-614,000	-331,000	5,000	-614,000	-331,000	5,000
TOTAL INCOME	-2,401,160	-2,433,536	-2,421,388	-2,401,160	-2,267,359	-2,238,894
Staff Costs	1,318,536	1,317,767	1,277,480	1,318,536	1,319,921	1,346,319
Training and Qualifications	0	0	0	0	5,000	5,000
Cost of Sales	50,000	50,000	50,000	50,000	0	50,000
Repairs & Maintenance	159,492	159,492	159,492	159,492	140,000	140,000
Furniture & Fittings	516	516	516	516	0	0
Utility Costs	296,760	296,760	296,760	296,760	264,146	264,146
Cleaning	12,000	12,000	12,000	12,000	12,000	12,000
NNDR Charges	33,700	33,700	33,700	33,700	0	0
Equipment (inc Leased)	12,000	12,000	12,000	12,000	48,000	48,000
Advertising & Marketing	20,000	20,000	20,000	20,000	20,000	20,000
Supplies & Services	81,921	81,921	81,921	81,921	70,000	70,000
Insurances	30,900	30,900	30,900	30,900	30,900	30,900
Professional Fees & External Support	16,056	16,056	16,056	16,056	15,000	15,000
Printing & Stationery & Postages	10,404	10,404	10,404	10,404	10,404	10,404
Telephone	11,988	11,988	11,988	11,988	11,988	11,988
Transport	36,300	36,300	36,300	36,300	80,000	80,000
Equipment Purchase	50,000	50,000	50,000	50,000	12,000	12,000
Central Support / Profit	150,000	150,000	150,000	150,000	128,000	128,000
Irrecoverable VAT	110,588	143,732	171,871	110,588	100,000	110,000
Total Expenditure	2,401,160	2,433,536	2,421,388	2,401,160	2,267,359	2,353,757
Budgeted Reserve Transfer	0	0	0	0	0	114,863

The Company are confident that that – provided there are no further government imposed COVID restrictions that impact occupancy - these targets are

achievable based on our current financial data. The table below provides an overview of the headline income lines, their contribution to the overall financial forecast and how the commitment to year on year growth is to be achieved.

Income Line	% of Overall Forecast	Vs 2021/22 Forecast	
Monthly Memberships	32%	+57%	<ul style="list-style-type: none"> • 32% of overall forecast income for year • Forecast net gain of 870 DD members (gym and swim memberships) • No net gain forecast for swimming lessons as will be reliant on ability to recruit additional swim teachers • Instead focus is returning membership numbers to pre-Oct 2019 levels • Ambitious forecast but achievable as long as phase one of capital works takes place • Jan 2023 numbers and onwards are reliant on capital works progressing • Collaboration with marketing to generate new membership leads
Casual and Family Swim	16%	+67%	<ul style="list-style-type: none"> • The most ambitious area of growth in the 2022/23 forecast • Aiming to return to 94% of pre-COVID income • Current monthly average income re casual and family swim accounts for 66% of the 2022/23 income forecast • Additional 34% will come from growth attributed to: reintroduction of inflatable, slide and beach area swim sessions, weekend opening hours extended at All Seasons, improvements to booking system to allow for hassle free bookings • Not necessary to offer unlimited 'free' swims to all swim program children in Aug 2022 which had an impact on the 2021 income
Annual Memberships	14%	+125%	<ul style="list-style-type: none"> • Growth is not as ambitious as first appears • Minimal renewals in 2021 due to 9-month membership extensions to memberships after multiple lockdowns – meant all memberships ran for almost two years before needing to be renewed • 0 net gain forecast for 2022/23: any annuals lost will be replaced with new members • Focus on retention and returning annual members to agreed headline rates after Active Nation halved annual income per member

School Swimming	14%	0%	<ul style="list-style-type: none"> • Current income is inflated as schools are bringing larger groups than is normal – this is due to impact of school closures on schools achieving their national curriculum swimming criteria • This will continue April – July in 2022, with numbers expected to return to ‘normal’ from Sept 2022 • This has been factored into figure, as has the low levels of school swim uptake in April – July 2021 as the UK came out of lockdown • As such the expectation is to generate same level of income in 2022/23
Venue Hire	12%	+48%	<ul style="list-style-type: none"> • Current monthly average income re hire accounts for 79% of the 2022/23 forecasted income • Additional 23% will be made up from growth that will come from additional opening for hire (evenings on weekends at All Seasons, daytime at Clayton Green) and the return of other hire activities such as parties

Other (Group Ex, retail, racquets etc)	12%	+57%	<ul style="list-style-type: none"> • DRYSIDE ACTIVITIES +74% YoY: current monthly average income re dryside activities accounts for 84% of 2022/23 forecasted income. Additional 16% growth will come from seasonal peaks that were not seen in 2021/22 (closed due to lockdowns) • MEMBERSHIP PRO RATA +34% YoY: current monthly average income re membership pro rata accounts for 79% of 2022/23 forecasted income. Additional 21% will be made up from seasonal increases (Jan, Feb, Sept). Will increase if capital works take place in 2022/23. Focusing on small and sustainable growth and retention post takeover/COVID • GROUP EXERCISE +106% YoY: 2021/22 income affected by no group exercise permitted legally until May 21 and distancing restrictions affecting available occupancy. Current monthly average income re group exercise accounts for 66% of 2022/23 forecast. Additional 33% will come from seasonal peak (Jan, Feb, Sept) and growth from expanded timetable. Capital works needed on studios to enhance income due to new ventilation rules post COVID. • RETAIL +72% YoY: increase will come from full year of offering retail (only part year in 21/22), increase in supplier stock levels, return to accepting cash • PRE SCHOOL SWIM LESSONS +21% YoY: 2021/22 numbers are distorted, as ALL swim lessons came via direct income in April and May 2021 before moving to direct debit line. Growth is hampered by inability to recruit new swim teachers (national shortage). If unable to recruit income will remain stable but minimal growth. 21% growth forecast is filling remaining capacity and small number of additional lessons added. If recruitment can be achieved, significant opportunities for growth – ROI for 1 hour of swim teacher salary is x 5.6 return • RACQUETS +77% YoY: current monthly average income re racquets accounts for 91% of 2022/23 forecasted income. Additional 9% will come from YoY growth
TOTAL	-	150%	

Capital Investment

While not within the remit of the company directly it is clear the impact of the proposed capital spend will have implications for company revenues. The company will work with the Council to develop the proposals in a way that causes the least disruption to customers and income streams. The Company will also work to ensure the capital monies are spent in a way that improves the customer experience and has the potential to increase revenue.

The current capital schemes proposed by the Council are as follows:

Scheme	Budget
Leisure Centre – improvements	300,000
Leisure Centre – new contract	2,000,000
Leisure Centres – Transfer Related	244,000
	2,544,000

The anticipated impact of these will be to reduce ongoing repairs and maintenance as facilities are upgraded, and to stabilize costs around utility bills by maximizing renewable resources.

While there are three schemes listed above the specifics of the capital programme spend are yet to be defined, and while this is not yet allocated to specific element of the schemes it is proposed the bulk of the funds be spent on increasing the offering across the contract so as to maximise the return on investment.

More detail on the proposed capital works can be found in section 7 of the Business Plan.

Reserves

The Company began operation in August 2021 without any financial reserves, and as such it is felt that the Company should have an ambition to maintain a small surplus to generate enough reserves to provide financial resilience during periods where income may reduce or exceptional expenditure should be incurred. It is felt a sensible level of reserves would be around 20% of turnover, which, based on anticipated turnover, would equate to around £500k

COMPANY OPERATIONS

As part of the leisure review undertaken prior to the formation of the Company, a new staffing structure was proposed, approved and implemented across the Chorley Leisure contract.

Key changes included:

- Creation of Operations Manager post, responsible for H&S, repairs and maintenance and supporting the teams in the day to day operations of the leisure centres
- Creation of Commercial Manager post, responsible for programming, memberships and all commercially driven aspects of the leisure contract including Aquatics

- Creation of Group Exercise Co-ordinator and Aquatic Co-ordinator posts to support the Commercial team in the delivery of programming and income
- Creation of Senior Duty Manager posts at all three sites
- Creation of Leisure Attendant posts, a new role blending all aspects of front-line leisure duties to create an engaged and multiskilled workforce, replacing Receptionist and Lifeguard as individual roles

All of these roles were applied for and successfully awarded to existing members of the leisure team, and constituted promotions from their previous positions.

In 2022 there will be a continuation of the review and improvement of all aspects of H&S across the contract, work that initially began in December 2021 in collaboration with Right Directions. This work is led by the Leisure Contract Manager and the Operations Manager, supported by the Senior Duty Managers at each venue. This project will culminate in Chorley Leisure re-establishing their QUEST accreditation, meeting the criteria of Strategic Priority One as detailed in the Service Specification.

Both the Leisure Contract Manager and Operations Manager are undertaking work towards a NEBOSH qualification and all Senior and Duty Managers have been offered the opportunity to complete an IOSH certificate. This training and development has been funded by the Company as an investment in safety and standards, and as part of our commitment to staff development and engagement.

CAPITAL INVESTMENT

Overview of Proposed Capital Works

Phase	Proposed Date	Proposed Works	Expected Cost

Phase One	2022 – date TBC	<ul style="list-style-type: none"> • Group Exercise Studios at All Seasons • Gym at All Seasons • Reception spaces at All Seasons and Clayton Green • Installation of access controls at all sites 	£1,085,000
Phase Two	2023 – date TBC	<ul style="list-style-type: none"> • Updates to pool facilities at All Seasons – fun pool space and adult only relaxation spaces (steam room and sauna) • Wetside Changing Rooms at All Seasons • Clayton Green gym refurbishment • Creation of bespoke gymnastics space at Clayton Green • Installation of climbing facilities at Clayton Green 	£924,000

Phase One

All Seasons Leisure Centre

Growth in health and fitness memberships is currently hampered by the facilities available – the gym and studio spaces need expansion and refurbishment in order to improve the offering and compete with other local providers who are offering superior dryside offerings at a much lower cost. With investment, All Seasons can move into a position to be a viable competitor to David Lloyd and other gyms in the local area, with return on investment coming from the subsequent increase in membership and participation numbers.

Low usage areas such as the squash courts and the old nursery space can be repurposed into modern group exercise and meeting/party spaces, increasing the offering and participation which will in turn increase income. The current studios are no longer fit for purpose – due to new ventilation requirements all classes are being taught in the halls, and as a result the class occupancies we can currently offer are much larger than can be accommodated if they return to the studios. This is resulting in a reduced service offering to users of the centre.

The gym offering at All Seasons is small and outdated and needs to be scaled up to match the significant wetside offering at the site. The infrequently used practice hall offers an opportunity to triple the size of the gym which will make a significant, positive impact to H&F membership numbers and will drastically improve income and participation.

The large reception and foyer represent an opportunity to transform the atmosphere of the centre from empty and unwelcoming to warm and inviting by creating social spaces for hot drinks, informal dining and even remote working.

Access controls are urgently needed through the centre and will form part of the reception and studio refurbishment.

Clayton Green Sports Centre

Clayton Green is a challenging venue if run in a traditional leisure centre format. The appetite for gym and group exercise activities is small and growing the membership base has historically been difficult. Clayton will move to become the community hub of the Chorley contract, taking primary responsibility for the delivery of health and wellness initiatives, 65+ programs, junior programs community outreach programs and dryside SEN programs.

The sports hall at Clayton is large and has potential to be the home to a significant and varied program of activities for the Clayton Green community, but use is hampered by the current hire agreement with the private gymnastics club - Chorley Gymnastics. Whilst not wanting to remove gymnastics from the area, there is a need to look at an alternative set up for the club in order to return the centre to meeting it's wider community obligations. Creating a bespoke area within the existing fabric of the sports centre would allow children's activities such as gymnastics, trampolining dance, cheerleading etc to continue whilst freeing the sports hall to be used in it's intended manner. The low usage of the large changing facilities in the sports centre presents an opportunity for internal expansion and could be located to a more suitable area of the building.

Phase Two

All Seasons Leisure Centre

All Seasons wetside area and it's offerings (lessons, public swimming, family swim, pool hire) is by far the most profitable aspect of the leisure centre collective. Investment is necessary but wetside income will not decline if it is not immediate, and so it is reasonable to include this in phase two of the capital

works.

The wetside changing village is in need of a cosmetic refresh; the facilities are tired and dated, and a more conscientious showering setup is required.

There is opportunity to make significant improvements to the poolside area to attract new members, by adding both family friendly play elements to the pool, and adult friendly spa facilities such as a sauna, steam room and a relaxation deck.

Clayton Green

The gym needs refurbishment to bring it up to standard, and although this is unlikely to make a huge difference in membership numbers it is necessary to retain existing memberships and sustain participation. There is an opportunity to collaborate with the HeartBeat program to expand their existing Clayton program to become the home for the Chorley branch. This would require some expansion to the gym and the introduction of further equipment.

The main halls lends itself to being an ideal home for climbing facilities, further increasing the contract offering and expanding activities for community involvement. This present an opportunity to increase revenue at Clayton Green through pay as you go sessions, increasing the attractiveness of memberships and through children's parties.

RISK FACTORS

Risk	Category	Potential Impact	Likelihood	Impact	Rating	Existing Control Measures

Further COVID restriction introduced relation to operation of gyms and leisure centres	Financial	Decrease in participation Negative impact on income Potential failure to meet financial forecasts that assumed operation without restriction	Likely	Serious	9	None. Out of the control of CLL and CBC. Reactive measures only
Increase in operating costs due to inflation, in particular utility costs	Financial	Increased running costs for each leisure centre Reduce financial surplus Barrier to cost neutral operation Increased or prolonged surplus required from CBC Forced to increase usage costs for Chorley residents to offset operating cost increase	Highly Likely	Serious	12	None. Out of the control of CLL and CBC. Reactive measures only
Actual operating costs greater than original forecast	Financial	Increased running costs for each leisure centre Reduce financial surplus Barrier to cost neutral operation Increased or prolonged surplus required from CBC Forced to increase usage costs for Chorley residents to offset operating cost increase	Likely	Serious	9	Collaborative and frequent monitoring by CBC and CLL Flexibility and adaptability in operating model, with the ability to deviate from CBC standard operation where necessary and appropriate - with support from Board and CBC Pro-active, preventative actions where overspend is predicted

H&S incident associated to lack of 'responsible person' within CLL, able to take full ownership of H&S and associated policies	Legal/regulatory	Failure to meet statutory H&S requirements	Unlikely	Serious	6	CLL to fund NEBOSH training for LCL and OM CLL continue work with Right Directors CBC assign a responsible person in the meantime
Depletion of staffing resource to an unsustainable level – natural churn offset by an inability to recruit	Operational	Reduction in services across the leisure contract Reduction in customer service Risk to H&S Could ultimately lead to closure of centres in extreme circumstances	Unlikely	Serious	6	Proactive, forward planning with recruitment whilst placing a focus on the retention of existing staff through engagement and staff development
Resignations or prolonged absence within the Swim Team	Operational	Inability to sustain current level of swim lesson offering, affecting school swimming and Learn to Swim lessons. Negative effect on income	Likely	Serious	9	Continue to engage with Swim England and other agencies to bolster efforts to recruit. Focus on engagement and retention of existing staff. Continue to upskill staff from other leisure departments to create options for temporary cover
Inability to recruit additional Swim Teachers	Human Resources	Inability to grow swim program. Prevent income growth	Unlikely	Minor	4	Continue to engage with Swim England and other agencies to bolster efforts to recruit.
Delay to Capital works	Strategic	Prevent income growth Negative effect on membership base Decrease in participation and	Likely	Serious	9	Continue to work with Property Services to progress works in a timely and efficient manner Support needed from CLL Board to ensure works are progressed to appropriate timescales

		overall negative impact on health and wellness in the Borough					
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