



APSE Northern Ireland Regional Meeting

Leisure Trusts – are they the future?

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Scope of the presentation



- What is a Leisure Trust?
- What are the benefits?
- What are the disadvantages?
- Case Studies
- How relevant are they in Northern Ireland?

What is a Leisure Trust?



- Broad description covers a range of different legal entities
- Preferred entity structure is as a charity
- This requires that:
 - purposes must be exclusively charitable
 - must be for public benefit
 - independent of the local authority

What are the benefits?



- Less bureaucracy and greater speed of decision-making
- Improved access to funding streams
- Ability to react quickly to market forces
- Single focused body
- Tax and NNDR savings
- Independence and ability to diversify



What are the disadvantages?

- Loss of democratic control & accountability
- Pressure on other services & overheads
- Procurement issues
- High set up costs
- Staff reaction
- Independence and ability to diversify
- Risk of failure



Case Studies

- Leisure Trust model
 - **Kirklees Active Leisure**
- Transformed in house model
 - **Colchester Leisure World**

Leisure Trust model – Case Study



Kirklees Active Leisure

- Company limited by guarantee and a registered charity
- Origins lie in Best Value review
- Council all party commitment
- Long term strategic partnership

Leisure Trust model – Case Study



Kirklees Active Leisure

- Vision:
more people, more active, more often
- Manages 12 sports centres and swimming pools
- All surpluses reinvested in leisure service
- £20m investment in facilities since 2002

Leisure Trust model – Case Study



Kirklees Active Leisure

- Strategic partnership with Kirklees Council
- Partnership priorities:
 - Enhanced life chances for young people
 - Healthier older people
 - Leading Kirklees out of recession
 - Effective and productive services

Leisure Trust model – Case Study



Facts and Figures

- Nearly 3 million customers in 2011/12
- 500,000 visits from new customers in 2011/12
- 66,728 visits by young people (5-16) in 2010/11 (excluding swimming lessons)
- 176,087 visits from customers over 60 in 2010/11 (a 41.2% increase)

Leisure Trust model – Case Study



Facts and Figures

- Council base funding grant reduced from 28% of turnover in 2002/03 to 21% in 2008/09
- £1.1m per year Rates saving from charitable status
- Council internal audit assessment : Good

Leisure Trust model – Case Study



Facts and Figures

- 80% of customers think KAL provides value for money (2011 Customer survey)
- QUEST - 9 sites registered: 5 highly commended – all in the top 25% nationally
- Major reductions in CO₂ emissions
 - 15.5% reduction in 2009/10 & 2010/11
 - 11% further reduction in 2011/12

Transformed in house model – Case study



Colchester Borough Council

“Leisure World” Objectives:

“For every borough resident to participate in an active lifestyle that will lead them to living a longer, healthier and happier life, and for the service supporting this vision to be delivered at no recurring revenue cost...”

Transformed in house model – Case study



Colchester Borough Council

- Fundamental Service Review
- considered and rejected NPDO model
- three drivers for the service
 - Customer Excellence
 - Efficiency
 - Effectiveness

Transformed in house model – Case study



- Customer Excellence
 - a transformed customer experience
 - visibility of a wide range of leisure services
 - staff with excellent customer skills across the service

Transformed in house model – Case study



- Efficiency
 - Use of new technology
 - Increased multi-skilling across teams and locations
 - Reduced cost base in key service areas

Transformed in house model – Case study



- Effectiveness
 - Remodelling of facilities, products and working practices
 - Building on a brand to improve profitability
 - Improved use of operational data and customer insight

Transformed in house model – Case study



Financial Headlines

- £1.621m capital investment over 8 year period
- £5.879m revenue savings over the same period
- £839k recurring revenue savings from year 3

How relevant are Leisure Trusts in Northern Ireland?



- The challenges of RPA
- Austerity
- Over provision and obsolescence
- Attitudes
- Charitable registration
- State Aid



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