

Growing Your Leisure Business

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Ground to Cover

- The rationale for growth
- Revisiting your leisure offer
- Some successful strategies from across the UK
- Opportunities for local authorities and trusts

Growth Drivers

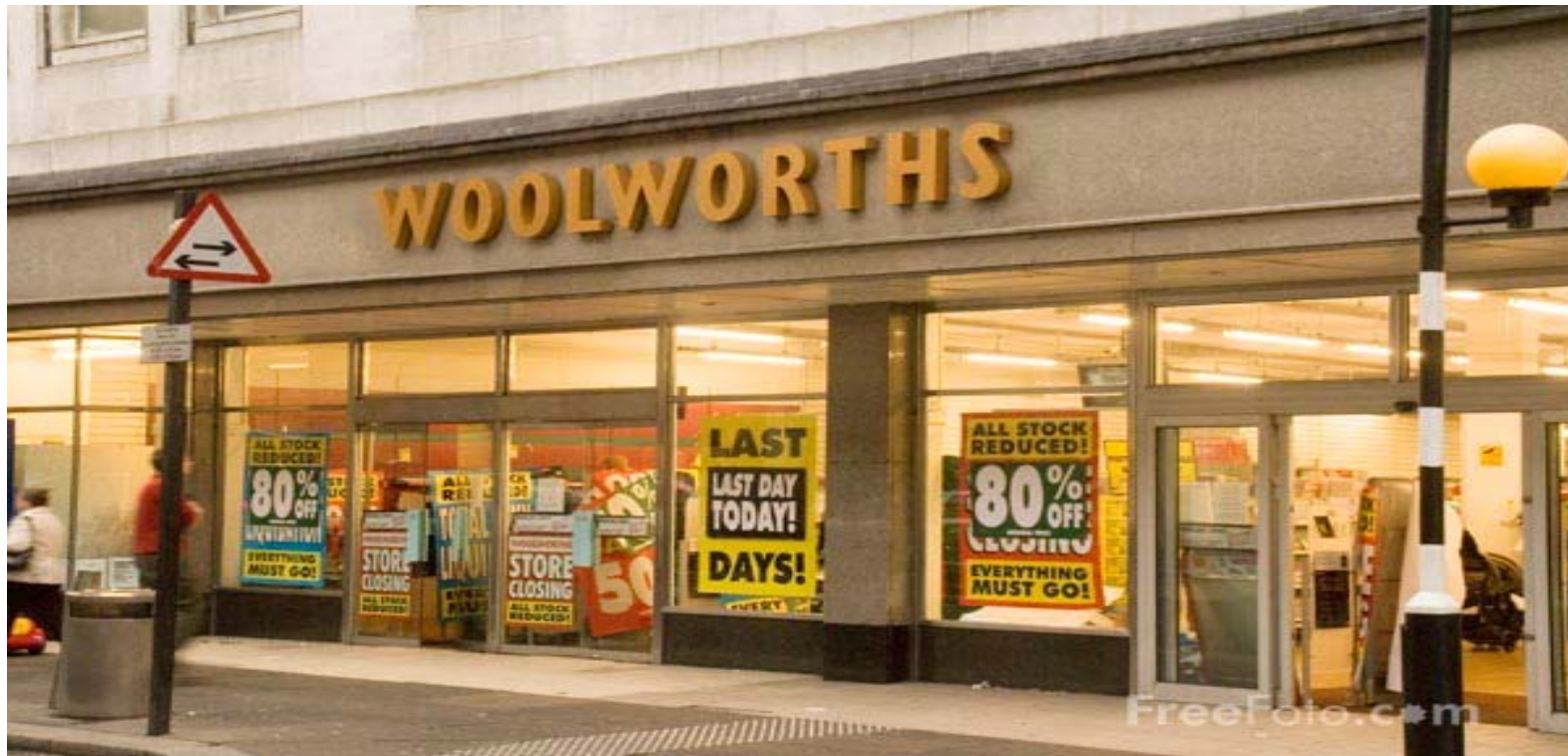
- Necessity – grow or fail
- Market needs – demand for services
- Opportunity
- Fitness boom – local monopolies challenged
- Ego
- Austerity like never before

Grow or Bust?

- The overly simplistic 'solution' of price increases alongside squeezing operating costs is no longer a viable option.
- Is the point of diminishing return understood?
- Efficiency needs to be combined with business growth.

The Case for Growth & Innovation

“We’ve got years of tradition, unmarred by progress”



Other Growth Considerations

- Zero revenue subsidy requirements
- Condition of the leisure stock
- Estate rationalisation & prudent investment
- Revenue/capital injection needed to maintain appeal & quality

Growth Strategies

- Organic Growth – do the same but more of it
- Diversification – do the same but more besides
- Grow Together – join up with others to provide a wider service offer

Re-thinking the Offer

- Targeted Concessions – but for who?
- Maximising Secondary Spend
- Premium Pricing and a Personalised Offer
- Public Health Outcomes (and £s)
- Dynamic Deals & Marketing

Constraints on Growth

- Lack of motivation – growth takes commitment, time and energy
- Risk aversion – a need to take measured risks
- Inertia – a ‘safe place’
- Personal interest - not served by growth

Growth Enablers

- Adopting a commercial approach within the public sector
- Liberty to innovate and re-engineer change
- Selling the broader benefits & strategic impacts
- Alternative delivery models – rather than defaulting to the ‘market solution’

Go forth and innovate

Ideas are like rabbits. You get a couple and learn how to handle them and pretty soon you have a dozen.

John Steinbeck - author

Anyone who lives within their means suffers from a lack of imagination.

Oscar Wilde – dramatist, novelist and poet





Special Offers Registration

Here at WaterWorld we offer you the chance to save money and update our special offers regularly. Keep checking this special offers page for the latest updates!

To download the **FREE** vouchers, including money off during school holidays and special occasions, please register your details below...**All fields are required**

Once you have entered your details you will be redirected to the special offers page where you can print off the vouchers.

Vouchers available include:

Weekend Offer – £7.99 per person

Watersedge Restaurant – Buy One Meal Deal And Receive One Child Meal Deal For Free (Off-Peak Periods Only)

Half Term Special Offer – Up to 5 people for £ 7.99 per person



Extreme Ideas

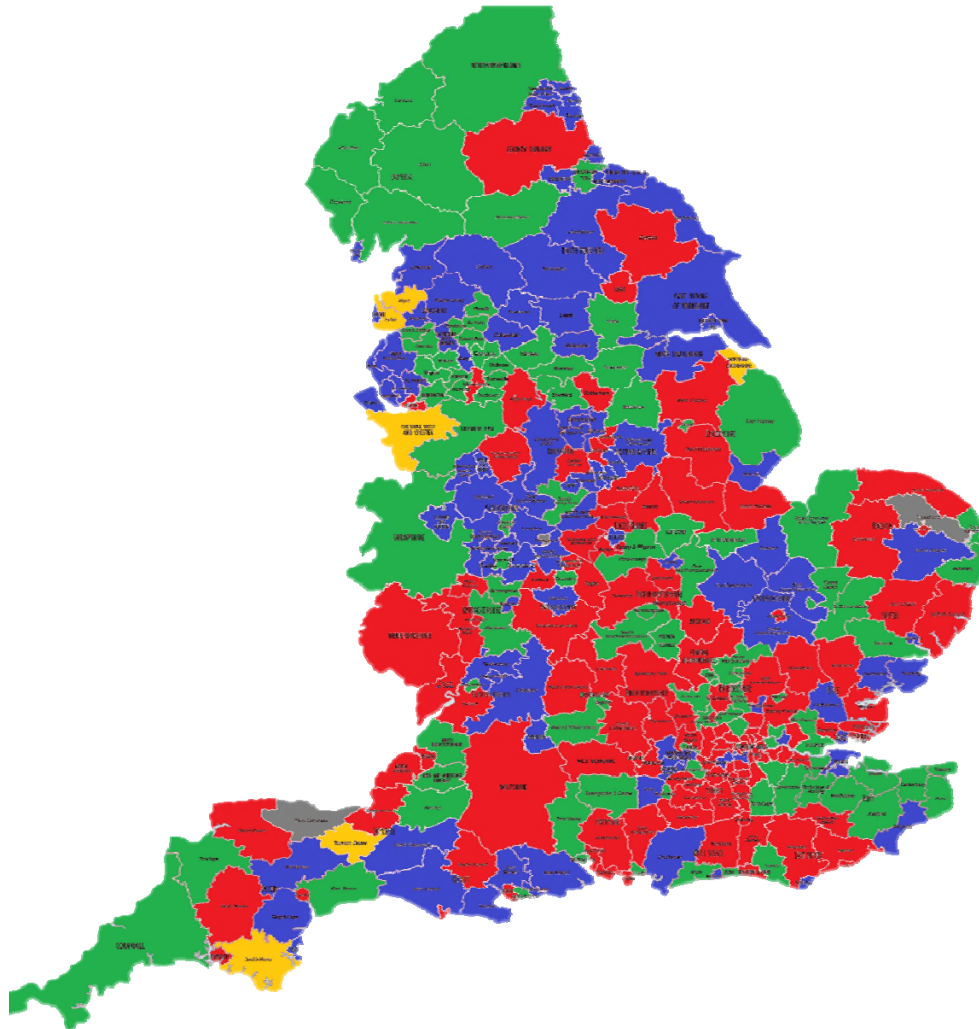


The Challenges for Public Sector Leisure Services

- Zero revenue subsidy requirements
- Leisure estate
- Affordability of facilities in remote rural areas
- Revenue and capital investment requirements
- Changes in EU Procurement Regulations
- Levelling of the playing field – NNDR and VAT benefits now accessible to council controlled NPDO companies

Public Sector Leisure Market

- Approx. 30% in-house leisure provision
- Number of in-house providers likely to reduce



Leisure Economics

- Major operators compete intensively and bid aggressively for new contract opportunities
- Operators' target profits and Head Office contributions are low
- Fewer operators with larger portfolios
- Departure from LGPS for new staff
- Positioning for the future - who is best placed to work in the Health Economy as delivery partner of the future ?

An Alternative to Outsourcing

- Local Authority Trading Company (LATC)
- Staff Mutual
- Two Tier or Partnering and subsidiary arrangements
- Sharing support functions
- Widening of scope
- Community health interventions funded by Health Commissioners.
- Targeting social care & personal budgets
- Models that can be extended to include ASC & Domiciliary Care

Delivery Options for Growth

In-house transformation

Community Interest Company

Company Limited by Guarantee

Outsource to specialist operator

Local Authority Trading Company

Joint Venture/ Shared Service

Mutual/ Co-Operative

Charitable Trust

Industrial & Provident Society



Local Authority Trading Company

- Typically formed as a CLG – but can be a CIC/social enterprise
- 100% owned by Council
- Controlled and “Teckal Compliant” – no need for procurement (if set up correctly)
- Equal NNDR savings and similar level of net VAT benefit as a charity
- Relationship with Council defined by formal agreements similar to other models
- Staff transfer under TUPE and can benefit from LGPS

Test 'good' ideas against strategic objectives !



EXERCISE

Welcome to America.

Consultancy

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Interim requirements

**Roads & Highways, Building Maintenance, Bereavement Services, Environmental,
Parks & Open Spaces, HR & Procurement, Waste, Facilities & Leisure etc.**

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