

**REPORT TO:** Cabinet Member, Leisure and Tourism

**DATE:** 23<sup>rd</sup> February 2011

**SUBJECT:** Reductions in the Sport and Recreation Service

**WARDS AFFECTED:** All

**REPORT OF:** Graham Bayliss, Leisure & Tourism Director

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**EXEMPT/  
CONFIDENTIAL:** No

**PURPOSE/SUMMARY:**

1. To advise the Cabinet Member of the likely impact on the operation of the borough's sport and leisure centres following the Council's decision on budget savings for 2011/12.
2. To seek the Cabinet Member's approval for the introduction of a Be Active programme to replace the current Free and Active programme..

**REASON WHY DECISION REQUIRED:**

Information on how the service reductions will be achieved within the Leisure & Tourism portfolio.

**RECOMMENDATION(S):**

It is recommended that the Cabinet Member:

1. notes the impact the service reductions will have on the operation of sports and leisure centres;
2. notes the introduction of the 'Active Leisure Card';
3. approves the replacement programme for 'Free & Active': '*Be Active*'

**KEY DECISION:** No

**FORWARD PLAN:** No

**IMPLEMENTATION DATE:** Following the expiry of the call in period of this meeting

**ALTERNATIVE OPTIONS:**

A comprehensive appraisal was undertaken to assess the best means of meeting the budget reductions. The measures taken are considered the best options which will minimise the impact on staff and service quality.

**IMPLICATIONS:**

**Budget/Policy Framework:** None

**Financial:**

<b><u>CAPITAL EXPENDITURE</u></b>	<b>2010/ 2011 £</b>	<b>2011/ 2012 £</b>	<b>2012/ 2013 £</b>	<b>2013/ 2014 £</b>
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<b><u>REVENUE IMPLICATIONS</u></b>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

**Legal:** N/A

**Risk Assessment:** N/A

**Asset Management:** N/A

**CONSULTATION UNDERTAKEN/VIEWS**

The Interim Head of Corporate Finance and Information Services has been consulted and his comments have been incorporated into the report FD 663

**CORPORATE OBJECTIVE MONITORING:**

<b>Corporate Objective</b>		<b>Positive Impact</b>	<b>Neutral Impact</b>	<b>Negative Impact</b>
1	Creating a Learning Community			✓
2	Creating Safe Communities			
3	Jobs and Prosperity			✓
4	Improving Health and Well-Being			✓
5	Environmental Sustainability		✓	
6	Creating Inclusive Communities			✓
7	Improving the Quality of Council Services and Strengthening local Democracy			✓
8	Children and Young People			✓

**LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT**

N/A

## **1. BACKGROUND**

- 1.1 Since summer 2010 officers have been working up a strategy on how to make significant budget reductions within the sport and recreation service with a minimal effect on both the service and its workforce. This has been a difficult task and the proposals submitted and subsequently approved by Cabinet at its meeting in October, November and December are spread across the entire sport and recreation service totalling £400,000.
- 1.2 The service reductions have been achieved by; deleting a number of vacant posts, reducing opening hours and revising the management arrangements within leisure centres, alongside the increasing of charges for certain activities. In addition the service reductions identified by Cabinet at its meeting on 3<sup>rd</sup> February 2011, also agreed a further reduction in budget of £400,000, totalling £800,000 reduction in 2011/12. This additional saving is much more difficult to achieve, and regrettably will have a significant impact on staff and how the service is delivered.
- 1.3 The following report sets out in general terms how the service reductions will affect the service, including the introduction of two new initiatives that assist us in meeting our savings .
- 1.4 Notwithstanding the above, the management team is fully committed to delivering the best service it can within the remaining resources available.

## **2. IMPACT OF BUDGET CUTS**

- 2.1 As the service reductions are implemented, where possible an attempt will be made to minimise the impact on staff and service availability and quality. However, given the scale of budget reductions, the following enforced changes are inevitable;
  - (i) alteration to opening hours of sports and leisure centres, particularly at weekends;
  - (ii) a reduction in staff on duty;
  - (iii) changes to programmed activity and timetables;
  - (iv) price increases for certain activities;
  - (v) introduction of an 'Active Leisure Card' access card.

## **3. INFORMING THE STAFF AND THE COMMUNITY**

### **3.1 Workforce**

- 3.1.1 There has been an ongoing process of consultation with staff since October 2010 informing them of the potential impact of the service reductions . This has included a number of inclusive interactive staff sessions focussed at getting feedback, ideas and other business development opportunities which could assist with making more efficiencies and potentially increase income.
- 3.1.2 These staff engagement sessions will continue for the foreseeable future as they have been effective in enabling employees' wider participation in both understanding the challenges ahead and helping to find solutions. There is now a greater sense of ownership of the difficulties that the service faces and a genuine desire to work together to work things out.

### **3.2 Clubs and Organisations**

- 3.2.1 The process of informing the individual users, current members, clubs and organisations of the changes is well under way. Specific meetings have been held with clubs, organisations and stakeholders who have a vested long-term interest in the service, particularly those based within the facilities.

This has also included the Sefton Sports Council, grant aiding partners and organisations with which the service has contracts or commissions.

- 3.2.2 In addition to the meetings, display space in each leisure centre has been released to host notices which explain what is ahead from 1<sup>st</sup> April 2011. This will enable managers to keep the public up to date of any impending changes that will affect the operation of the centres. This approach has stimulated some feedback already, with all comments supportive of trying to retain the operation of the centres and their programmes for the long term.

#### **4. INTRODUCTION OF THE 'ACTIVE LEISURE' CARD**

- 4.1 One of the income generating measures already approved by Cabinet includes the introduction of a Sefton Leisure Card to replace the Sefton Leisure Pass (this enables discounted access for those in receipt of certain benefits).

The Card will be introduced on 1<sup>st</sup> April with the following categories applicable:-

- (i) available for all residents and non-Sefton residents;
  - (ii) it will cost £5.00 for adults and £2.00 for under 18 yrs;
  - (iii) non Sefton residents will pay £10.00 for adults and £5.00 for under 18 yrs;
  - (iv) it will be directly linked to the fees and charges for all sport, recreation and physical activity sessions and programmes based at all of Sefton's leisure centres or in the community;
  - (v) individuals without a card will not be eligible for the discounted rate for activities.
- 4.2 In summary, the non cardholders will pay a higher rate, which we hope will be unattractive enough to encourage the purchase of the card. By having this extended card scheme we anticipate the following benefits;
- (i) extensive membership database of users;
  - (ii) ability to target more directly card holders which will assist with special promotions, cross-service selling and improved customer contact;
  - (iii) enable more effective marketing and promotion and evaluation of customer image, trends and satisfaction levels;
  - (vi) generate more use and income for the service.
- 4.3 At this stage, the service would incorporate leisure centres, libraries and the golf courses. It will be self-financing and sustainable, and if successful, can be extended to other leisure and tourism department functions that are appropriate.

#### **5. 'BE ACTIVE'**

- 5.1 The reduction in both grant and council funding has meant that the department will be unable to operate the hugely successful 'Free & Active' scheme during the school holiday periods. It was considered necessary to develop a succession strategy for this programme as the funding was time limited. Therefore, prior to the end of last summer's activity, the Free & Active working group (cross service) undertook a consultation exercise with parents and stakeholders to assess the options that should be explored for a replacement scheme.
- 5.2 The 'working group' received overwhelming support for the project to continue and it also confirmed that parents were willing to pay towards the cost of the sessions.

Consultation with parents / carers and participants concluded that 87% of respondents would be happy to pay for the service rather than it cease to be in operation. This consultation concluded that respondents would favour a combination of an "Annual Membership" card and "Pay and Play"

- 5.3 It is proposed that a new scheme, '**Be Active**' replace Free & Active, with the main differential being the introduction of a charge. Officers believe that the revised programme will not only generate sufficient revenue to be self financing but generate significant income for the leisure centres.
- 5.4 If agreed, commencement of the proposed programme and the implementation of charges will take place during the Easter holiday period (April 2011). Clearly the introduction of charges will no longer enable the programme to be entitled "Free & Active". It is therefore proposed that the new programme be entitled "Be Active" in order to provide continuity and minimise change.

## **6. RECOMMENDATIONS**

- 6.1 It is recommended that the Cabinet Member:
  - (i) Notes the impact the budget cuts will have on the operation of sports and leisure centres;
  - (ii) Notes the introduction of the 'Active Leisure Card';
  - (iii) Approves the replacement programme for 'Free & Active'; '**Be Active**'