

Draft Report
Review of Tees Active

Arts, Leisure and Culture Select Committee

March 2009

Please note: this report is subject to confirmation at the meeting of the Select Committee on 20 March.

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Select Committee Membership

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- Dave Seller, Manager, Thornaby Pavilion Leisure Centre, Tees Active Limited
- Bob Brown, Manager, Billingham Forum Leisure Centre, Tees Active Limited
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- Ingrid Ablett-Spence, Head of Health Improvement, Stockton-on-Tees Teaching PCT
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[Foreword to be inserted]

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Original Brief

1. Which of our strategic corporate objectives does this topic address?

Contribution to improving public health and increasing active participation, particularly from disadvantaged communities.

Contribution to Council Plan (07-10) and Sustainable Community Strategy objectives under:

- Healthier Communities and Adults
 - Support measures to improve the health and wellbeing of adults and older people
 - * Increase the % of adults participating in at least 30 minutes of moderate intensity sport and physical activity on 5 or more days each week on average over a year to 30% in 2007 (LPSA Target)
 - * Increase attendance at leisure centres by 1% each year
- Children and Young People
 - Reduce inequalities in health outcomes for children and young people
 - * Halt the year on year rise in obesity among children under 11 by 2010.

2. What are the main issues?

Tees Active Leisure Trust began operation on 1 May 2004. There has been no comprehensive review or challenge by SBC to date.

- Review operation of the contract, performance set against the objectives and business plan originally set for the Trust prior to conception, value for money, investment in services and plans for the future;
- Ensure that engagement is taking place with all sections of the community, increasing participation and innovative ways of working are being identified. Due reference to role of Sports Development, extended schools sports provision and services for Looked After Children.
- Relevant future developments include Billingham Forum, extension to Splash and the opportunities relating to the period leading up to and beyond the 2012 Olympic Games.

3. The Thematic Select Committee's overall aim/ objectives in doing this work is:

To assess the performance of the Tees Active Leisure Trust against its original objectives and engagement with wider Council and Community Strategy priorities, and to produce recommendations for improvement where necessary.

4. The possible outputs/outcomes are:

- Assessment of Tees Active's performance to date
- Assessment of Tees Active's engagement with wider corporate priorities
- Recommendations to secure further improvements

5. What specific value can scrutiny add to this topic?

Detailed consideration of the issues, and independent appraisal of the operation of Tees Active to date.

6. Who will the Committee be trying to influence as part of their work?

Cabinet, Tees Active, residents.

1.0 Executive Summary

1.1 This report presents the findings and recommendations from the Arts, Leisure and Culture Select Committee's review of Tees Active. Tees Active is an independent leisure trust and has managed Stockton Borough's public leisure centres since May 2004. The review represented the first opportunity for the Council to undertake a comprehensive review of Tees Active's performance to date and plans for the future. The Committee sought views from a range of interested parties including stakeholders from within the sport and leisure sector, and users of Tees Active managed facilities. Every club and school that uses their facilities on a regular basis was contacted in order to invite their comments.

1.2 The Committee found that Tees Active has more than delivered against its original aims and would like to congratulate Tees Active on its achievements. There have been large increases in attendance at local leisure centres and swimming pools, services have been improved, and the Borough's leisure services have established a favourable local and regional reputation.

1.3 In order to build on its achievements, the Committee has identified a number of improvements that could be made to the partnership arrangements established between the Council and the trust. The Council provides a significant amount of money to Tees Active in order to support its activities and therefore it is considered appropriate to strengthen the monitoring arrangements that are in place, whilst at the same time ensuring that this does not become unnecessarily bureaucratic. Therefore the Committee recommend that:

1. To ensure Tees Active Limited continue to deliver against a range of national and local priorities, a more formal & detailed monitoring regime should be implemented in relation to Tees Active's performance, finance, policies and procedures, and that this monitoring information be provided to members through the established Quarterly Performance Reports.

1.4 The Committee found that Tees Active employ a range of consultation techniques. In order to ensure that Tees Active continually keep up to date with the views of users, and non-users, for instance on issues such as opening times, and to ensure the reasons for variation in opinion amongst the local community are fully explored, the Committee consider that further work should be undertaken in order to improve consultation. This could include dedicated user groups and increased engagement with older people's groups. The Committee recommend:

2. That Tees Active should strengthen consultation and feedback mechanisms in order to ensure that their leisure offer continuously meets the needs and aspirations of the community;

1.5 Tees Active make a contribution towards the strategic aims of the Borough and the trust is the Council's main partner in terms of leisure provision. However the Committee believe that there is always room for improvement and Tees Active should consider how it could widen its contribution in this regard, linked to an enhanced understanding of the Borough's diverse community as outline above. This should include a review of support provided to looked after children, the full exploitation of the opportunities

presented by Building Schools for the Future, enabling links with the voluntary sector particularly with regard to signposting to voluntary sector facilities where appropriate, and using Tees Active's expertise to assist the Council in planning future leisure facilities in the Borough. The Committee therefore recommend that:

3. That in order to further improve the partnership arrangements already in place, Tees Active should strengthen their role as Stockton Council's strategic leisure partner by providing support to the broader leisure and sport sector within the borough, and that this support should include:

- a) Contributing to the broader social agendas, including community safety and children and young people;**
- b) Facilitating greater participation by hard to reach groups and/or groups that require most support including children looked after, people with disabilities, and the BME community;**
- c) Contributing to the development of a coordinated leisure offer in the borough to include public, private and voluntary sector;**
- d) Exploiting new management and/ or development opportunities that would enhance leisure provision within the borough, including opportunities through Building Schools for the Future;**
- e) Achieving stronger relationships with the voluntary sector, including sports clubs, through improved partnership working;**
- f) Contributing towards the full exploitation of the opportunities presented by the Olympic & Paralympic Games.**

- 1.6 The Committee have been impressed by the Tees Active Sports Academy and its good work that supports the most talented athletes and young sports people in the Borough. Several of those inducted into the Academy have competed in international tournaments including the Beijing Olympics 2008. In order to build upon this work the Committee recommend:

4. That Tees Active should consider extending the layer of support in place beneath the TAL Academy for those young sports people who do not meet the standards of the Academy, yet have attained representative honours at a recognised level, as appropriate.

- 1.7 Quest is the UK Quality Scheme for Sport and Leisure; through self-assessment and external validation, the scheme demonstrates high standards in facility management, partly through challenging centres to look anew at their services from a customer's point of view. The Committee believe that this should be a priority in terms of Tees Active's approach to external validation, and therefore recommend:

5. That Tees Active should ensure that all eligible facilities attain Quest accreditation status;

- 1.8 The Committee have examined the improvements made to the marketing of the Borough's leisure centres. Building on this work, the Committee believe there is greater scope for web interactivity and online transactions and therefore recommend:

6. That Tees Active should investigate the potential for users to be able to book activities online (for example badminton) via the Tees Active website;

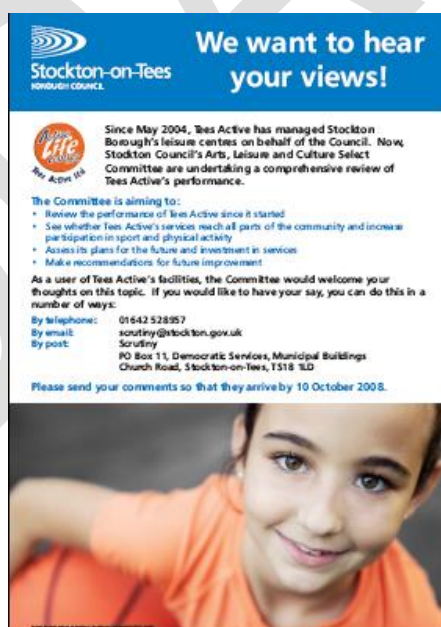
- 1.9 TAL has undertaken a comprehensive Staff Survey, and the Committee planned to incorporate the results of the survey into the review. The Committee accept that production of the survey results and analysis was postponed due to ongoing preparation work in relation to the imminent major capital schemes and so they were not available within the timescale of the Committee's work. The Committee request that they are made available at a future meeting of the Committee, and so recommend:

7. That Tees Active should provide the results of their staff survey to the Arts, Leisure and Culture Select Committee as soon as they are available.

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2.0 Introduction

- 2.1 This report presents the findings and recommendations from the Arts, Leisure and Culture Select Committee's review of Tees Active. The topic was identified at meeting of the Scrutiny Liaison Forum and subsequently incorporated into the Committee's work programme at a meeting of the Executive Scrutiny Committee on 1 April 2008.
- 2.2 Tees Active is an independent leisure trust and has managed Stockton Borough's public leisure centres since May 2004. The review represented the first opportunity for the Council to undertake a comprehensive review of Tees Active's performance to date and plans for the future. The Committee sought views from a range of interested parties including stakeholders from within the sport and leisure sector, and users of Tees Active managed facilities. Every club and school that uses their facilities on a regular basis was contacted in order to invite their comments.
- 2.3 In addition to the results of Sport England's Active People survey, the Committee also considered the results of the Council's latest (2008) 'Residents' Survey'. Ipsos MORI undertake a biennial Residents' Survey on behalf of Stockton Council. The Survey is based on face-to-face, in-home interviews by trained staff with a sample of residents of the Borough aged 16+. The results provide data that is representative of the population in terms of key demographic characteristics (for example, gender, age and ethnicity). The 2008 sample size was 1,818 people, and the survey took place during summer 2008. The results of the survey reflect resident perceptions, and these may or may not reflect actual events on the ground.



- 2.4 During the period of the Committee's work, the Council's Children and Young People Select Committee have undertaken a review of Obesity, and the Corporate, Adults and Social Inclusion Select Committee have undertaken a review of the Council's Older People's Strategy. Due to the nature of the issues being examined, especially in relation to health, there was an opportunity for joint working to take place and therefore a joint session of the

three Committees was held in order to receive evidence from the PCT and Tees Active. When concluding this review, Members of the Arts, Leisure and Culture Committee were mindful of the recommendations already contained in the Obesity report that was considered by Cabinet in February 2009.

- 2.5 During the review, several meetings were held on TAL premises and these included the Forum, Pavilion, and Castlegate Quay. Members were able to tour each of these leisure centres.

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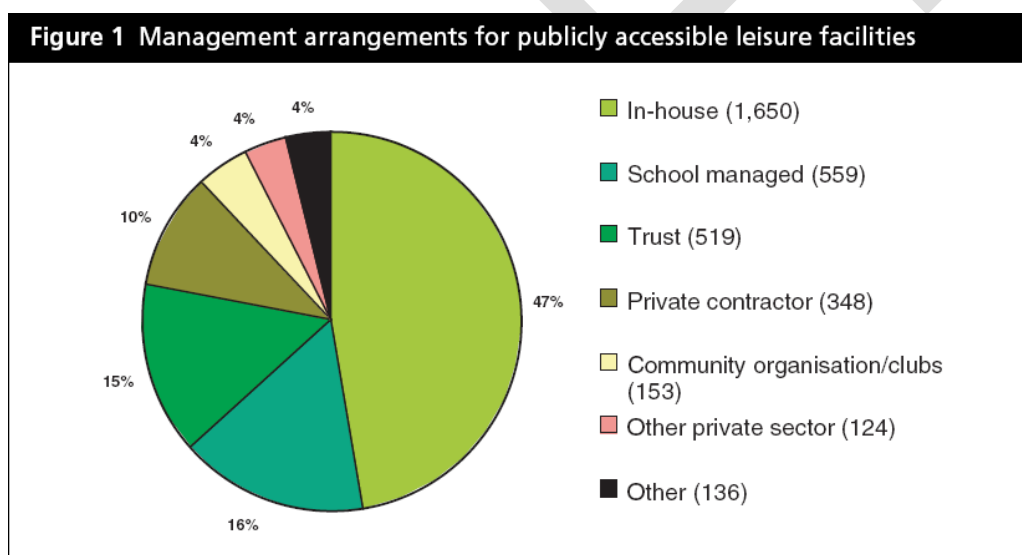
3.0 Background

3.1 The local leisure market is now mainly comprised of four types of leisure supplier:

- Local authority in house, stand alone facilities, and/or facilities located on educational sites;
- Private owner-operator leisure providers (eg. David Lloyd, Fitness First, Virgin Active)
- Private sector suppliers contracted to Local Authorities
- Not-for-profit Trusts

Outside of these facilities, informal sports (eg fishing, cycling) and local clubs account for a large proportion of participation levels.

3.2 The market in public sports and leisure facilities has changed considerably. Until the late-1980s, Council-provided services were run almost entirely in-house. Since then there has been a shift to private contractors, and now, more recently, to leisure trusts. There are also a range of school and voluntary sector providers. In 2006, the picture was as follows¹:



Source: The Leisure Data Base Company. Base: all public leisure facilities

3.3 Tees Active Limited (TAL) is an example of a leisure trust. A 'trust' is a non profit distributing organisation (NPDO). This means that it retains surplus funds for the purposes of the trust rather than distribute them to shareholders. Trusts may or may not have charitable status. Local authorities can transfer their leisure services to a trust (new or established) which manages the facilities on behalf of the council through a board of trustees. The council generally retains ownership of the facilities which are leased to the trust. Trusts receive an annual grant or management fee to make up the difference between its income from user charges and the cost of operating the service.

¹ *Public sports and recreations services: making them fit for the future*, Audit Commission:2006

- 3.4 There has been year on year growth in the number of trusts and an Audit Commission survey in 2005 stated that 92% of Council's would consider trust status. In 2006, the Commission reported that over the previous 4 years, the proportion of all sports and recreation facilities managed in-house had fallen from 73% to 62%, and the proportion managed by trusts has increased to 21%. Not all of the new types of trust have been successful. Some have lacked appropriate business experience at board level, and some trusts have failed, with councils having to re-assume responsibility for centre management at a considerable cost. Others have become established and have expanded across several Boroughs, including Greenwich Leisure in London which now operates 40 facilities.
- 3.5 These changes in the sector have taken place against a backdrop of rising standards in the private sector, a maintenance and investment back-log facing public facilities, and national targets to increase participation. Stockton Borough's leisure services were facing considerable challenges c.2002. A Best Value inspection had rated them as being 'unlikely to improve' and made a number of recommendations in relation to service improvement and future management.
- 3.6 Both in-house opinion and a report from Deloitte and Touche recommended that a leisure trust be formed in order to manage the Borough's leisure centres. After business planning had taken place, final approval was given by Cabinet in February 2004. At the time it was considered that a private sector provider would not necessarily be able to meet the targets regarding social inclusion and the type of culture Stockton Council wanted to create. A specifically tailored trust was set up, in the form of an Industrial and Provident Society, 'Tees Active Limited'.
- 3.7 The financial benefits included: the ability to attain savings on NNDR and VAT due to the trust being able to achieve charitable status, the ability to attract grant funding from bodies that would not normally donate to local government, and the ability to borrow money in a way that was not possible for the Council.
- 3.8 The final agreement included:
- the savings (largely from NNDR and estimated at £280k) to be transferred to the trust and explicitly allocated into a development fund for service and facility improvement
 - the trust's first business plan was to be consistent with the Council's aims, and was to make a 'substantial contribution' towards the following contemporary plans: LSP, Sports Strategy, Physical Activity Strategy, Community Strategy, Best Value Performance Plan, and the Council Plan.
- 3.9 Major capital expenditure and ownership of the centres remained the responsibility of the Council; Tees Active was to be responsible for minor repairs, equipment and fittings. The Sports Development function was to, and still does, remain with the Council.
- 3.8 The following centres are managed by Tees Active:
- Billingham Forum – The Forum includes a pool, solarium, sauna, sports hall, squash courts, ice rink, indoor bowling and Activ8 Gym. The ice

rink is of regional significance and is one of only 3 in over a 100 mile radius.

- Castlegate Quay Watersports Centre – this is a purpose built sailing and paddling centre. Activities include sailing, kayaking, canoeing, powerboating and bell boating.
- Splash – this contains a 25m pool with wave machine and water features, and an Activ8 gym.
- Thornaby Pavilion – this is a large dry sports centre and includes one of the largest sports halls in the region. Facilities are available for squash, a solarium, and an Activ8 gym. TAL now operate Thornaby Indoor Bowls Club, which is also situated in the Pavilion building.
- Thornaby Pool – this is a family orientated 25m pool, and is extensively used by local schools.



The Forum, Billingham Town Centre (Photo Credit: Stockton Council)

- 3.9 Until December 2008, TAL also managed Stockton Sports Centre but this has now been decommissioned. Management of the Multi-use Games Area at Arlington Park was also the responsibility of TAL but this has been transferred to the Corner House Youth Project.
- 3.10 The Board of Tees Active is made up of 16 representatives from the sport sector, business, Members of Stockton Council, education sector, local residents, staff representative, and a customer nomination.

4.0 Evidence

Increasing participation

4.1 The Committee found that Tees Active have performed extremely well since inception. The three main aims of the new trust were to increase attendance at leisure centres, improve the overall quality of service, and to develop an investment strategy. The majority of its targets, as set out in the original 2005-08 Business Plan, have been achieved. These targets can be broken down into the following categories: service development, marketing and promotion, asset management, workforce development, and finance and performance. A copy of the detailed breakdown of performance to date can be found at Appendix 1.

4.2 A number of service improvements have taken place in order to increase the attractiveness of the leisure centres. These include improved Activ8 Gyms, a re-launched Leisure Card, integration of Castlegate Quay Watersports Centre into the company's structure, and small scale improvements to Splash and Castlegate Quay. Details are at Appendix 1.

4.3 Increasing attendance at leisure centres is a key target. National targets are for a 1% increase in visits per annum (this also reflected in the Council Plan 2007-10). Tees Active's own targets in this regard are:

- Increase number of swim visits by 2% per year;
- Increase number of ice skating visits by 2% per year;
- Increase total visitor numbers by 2% per year.

4.4 The Committee found that:

- Swim visits have increased by an average of 3.1% over three years compared to a national average of 2.1%;
- Between March 2004 and March 2008, ice visits increased by 54%;
- Between March 2004 and March 2008, total visitor numbers increased by 7.5%, at an average rate of 2.5% per year;
- Activ8 Gym visits increased from 90,515 in 2003-04, to 131,379 in 2007-08;
- The total number of visits in 2007-08 stood at 1,564,967.
- Approximately 16% of the Borough's population hold TAL membership, although the majority of users are non-members

4.5 Sport England commission the national Active People Survey. The survey measures: participation, volunteering to support sport, club membership, number of those receiving tuition, those taking part in organised competition, and the levels of satisfaction with sports provision in the local area. Participation is defined as 'taking part on at least three days a week in moderate intensity sport and active recreation (at least 12 days in the last 4 weeks) for at least 30 minutes continuously in any one session' (this includes recreational walking and cycling). The results provide an overview of levels of activity in the Borough and across the North East, and two of these surveys have now taken place.² Stockton's results are outlined at Appendix 2.

² The first survey was undertaken between October 2005 and October 2006, and the second survey (Active People 2) was undertaken between October 2007 and October 2008. Surveys

- 4.6 In Stockton, between Active People 1 and Active People 2, the only statistically significant change was a slight reduction in the number of people taking part in 'organised competitive sport.' In Active People 2, participation stands at 22.6% of the adult population, and satisfaction with sports provision in the local area stands at 72.1%.
- 4.7 Active People 2 results show that the Borough is 8th out of 23 north east authorities for levels of participation. The total levels of participation in the north east have not changed significantly between surveys and in Active People 2 this stands at 21.3%; this is equal to the national figure. Across the north east satisfaction with local sports provision has decreased slightly and stands at 68.4% in the latest survey, although this is above the national figure of 66.6%.
- 4.8 Although Tees Active have a role to play in increasing overall levels of participation, the Active People Survey covers all forms of participation, including private gyms, other sporting clubs, and informal leisure such as walking. Sport England's recently adopted new strategy commits the organisation to achieving one million people doing more sport by 2012-13. In addition Sport England seek to achieve a reduction of 25% in the number of 16 year olds who drop out of five keys sports, improved talent development systems in at least 25 sports, a measurable increase in people's satisfaction with their experience of sport, and a major contribution to the delivery of the five hour sports offer for children and young people.

Value for money

- 4.9 As noted above, Tees Active receives an annual management fee in order to cover the difference between costs, and the income generated by sport and leisure activities. It is agreed that the Council's contributions will rise by 1% annually. The breakdown of the fee is provided below:

Fig 2 Breakdown of management fee

Description	04/05	05/06	06/07	07/08	08/09	09/10	10/11
Leisure Centre Mgt Fee	2,196,964	2,438,421	2,462,804	2,487,432	2,512,306	2,537,429	2,562,804
Castlegate Quay Mgt Fee	45,000	45,000	45,000	45,000	45,000	45,000	0
Arlington Park	0	15,000	15,000	18,000	0	0	0
Forum Theatre Mgt Fee	240,000	242,000	244,420	246,864	249,333	251,826	254,344
Total	2,481,964	2,739,994	2,770,224	2,797,296	2,806,639	2,834,255	2,817,148

are undertaken by Ipsos MORI and survey a sample of the adult population. Active People 2 surveyed c.500 people within the Borough boundary and 191,000 people nationwide.

- 4.10 Funding has previously been provided to TAL for the operation of Arlington Park Multi-Use Games Area but this is now managed by the Corner House Youth Project. The funding for Castlegate Quay came under a variation to the original funding agreement and so appears separately under the figures outlined above. Current arrangements have been extended to cover the 2009-10 period, and an extension of this is subject to the agreement of all parties. Riverside Leisure Limited are contracted to Tees Active (under terms agreed with the Council) to manage the Billingham Forum Theatre, and so this is also reflected in the fee that is provided to TAL.
- 4.11 The Committee's benchmarking process which assessed similar arrangements within other Boroughs, indicated that the fee provided to TAL would appear to be high in comparison. For instance, Tees Valley Leisure (TVL) receives £1.2m pa from Redcar and Cleveland Borough Council, and South Lakeland District Council provide £1.2m to Lakes Leisure. However, the Committee have taken into account that there are significant differences between Tees Active and other trusts. For example, Tees Active are a larger company in comparison to Tees Valley Leisure: TAL have a turnover of £6.3m compared to TVL's £3.2m, and Tees Active employ 177 FTE compared to 80 at TVL. The fee in Stockton also covers the management of the theatre, via Riverside Leisure.
- 4.12 In addition, through the benchmarking process, it is clear that the fee for other leisure trusts does not necessarily include the savings on National Non Domestic Rates (NNDR) that can be gained through achieving charitable status. When Tees Active was established, the decision was taken to retain the savings within the management fee and, taken together with an increase in leisure income, this has allowed TAL to contribute towards new and improved facilities, through the direct use of reserves and the funding of prudential borrowing. Investment that has already taken place totals over £600k, as well as the regular maintenance that Tees Active are responsible for. Planned investment totals approximately £9m (see section 4.63). TAL calculate that the effective management fee for sport and leisure will be c£1.7m once adjustments are made following the agreement of the prudential borrowing and the major schemes are complete (Splash and Forum). Reserves carried over into 2008-09, totalled £507,901, and it is anticipated that these funds will be needed to oversee the period of major facility re-development, and this is reflected in the new Business Plan.
- 4.13 The Audit Commission have also identified that the re-investment of savings on NNDR is infrequent, and where funds are re-invested, these tend to be used to support maintenance rather than assist rationalisation and improvement of services. Tees Active is not in the position to fund new facilities on its own at the present time, and the focus remains on the re-development schemes; the overall responsibility for the strategic location of facilities remains with SBC.
- 4.14 The Committee have received details on TAL's level of income, and the breakdown of income for the period 2007-08 is as follows:

Fig 3. Tees Active Income 2007-08

Element	Amount	Proportion of income
Management Fee	2,647,296	45%
Other grant income	210,476	4%
Catering and vending	138,092	2%
Other income	47,196	1%
Leisure Income (total):	2,812,431	48%
Swimming	915,911	
Gyms	494,163	
Skating	473,565	
Watersports	151,394	
Other	777,398	
Total	5,855,491	100%

- 4.15 The proportion made up of the management fee has been decreasing over the years as other sources of income increase. Grant income has been forthcoming from a variety of sources, however in 2007-08 the majority of this was secured via the Neighbourhood Renewal Fund and Stockton-on-Tees Teaching PCT for weight management courses and the Young Persons Active Health Scheme; combined this funding totals £160,109. The Committee note that other leisure trusts have been successful in securing grants from Sport England; however at the time of the Committee's review bids were in place to Sport England, specifically in relation to the Forum refurbishment and the capital programme associated with the free swimming initiative.
- 4.16 The project budget for 2008-09 showed that TAL expenditure was anticipated to be £6,147,238 compared to an income of £6,253,191; this shows a projected surplus of £105,953. The Business Plan for 2008-11 aims to achieve an operating surplus of at least £80k each full operational year.
- 4.17 The Committee found that the worsening economic situation had not yet had an impact on TAL's leisure income, although this may become an issue should the local situation worsen and residents reduce discretionary spending. It is generally thought that as public facilities are cheaper than private they are less vulnerable to personal cost cutting, more money will be spent at home rather than abroad in terms of holidays and leisure time, and there is a greater awareness of the importance of health and fitness.
- 4.18 In addition to the core leisure centre offer, Tees Active provide a number of other income generating services including training (for example first aid), a CRB checking service, and a design and print service. Corporate team building days are available, primarily through use of the facilities at Castlegate Quay Centre.
- 4.19 Tees Active's pricing structure is set within a framework agreed with the Council. Prices in the Tees Valley (across a range of management arrangements) are broadly comparable to TAL. TAL aim to maintain market awareness and regularly assess the prices of neighbours and competitors.
- 4.20 In its survey of the national public leisure market, the Audit Commission found that across the range of management options (ie. trust, private, in-house), no

single option delivers the best overall value for money, or consistently results in more investment or higher levels of participation. However, in-house services tended to be significantly more expensive than other options, and this becomes more marked over time.

- 4.21 The Committee believe that overall Tees Active provide very good value for money. In terms of performance monitoring, ultimately the Board of Tees Active is responsible for the performance of the organisation. However, Stockton Council has a duty to monitor TAL's performance. Currently, the Council's sport and leisure section hold monthly meetings with Tees Active representatives, and TAL management have also appeared at SBC's CMT performance clinic meetings. The Committee believe that a more formal process of monitoring should be put in place, but that this should not be overly bureaucratic, and that the results of the monitoring should be incorporated into the Quarterly Performance Reports that are received by Cabinet and Executive Scrutiny Committee.

Contribution towards the wider aims of the Borough

- 4.22 Sport and fitness-related activity has a key and acknowledged role to play in contributing towards several other cross cutting priorities. The original Business Plan for TAL was drafted in such a way that it was consistent with the wider policy framework including the Local Strategic Partnership, and this requirement was made explicit in the Cabinet reports that preceded TAL's formation.
- 4.23 It is clear that the Borough faces significant challenges especially in relation to the health agenda. The Borough's Health Profile 2008 reveals that health and deprivation are generally worse than England as a whole; rates of early deaths from cancer, heart disease and stroke are all worse than average. Between 1995 and 2000 there was a rise in the rate of obesity across all age groups, and continuing concern in this regard led to the Children and Young People's Select Committee undertaking its review of the issue. Obesity in children is significantly worse than average; over a third of year 6 pupils are overweight or obese, and the national projected figures for 2010 have already been reached. In the Stockton PCT area, the estimated annual costs to the NHS of diseases related to being overweight and obesity was calculated to be £51.9m in 2007, £53.9m in 2010, and £57.6m in 2015.
- 4.24 The need to tackle these issues is reflected in the Sustainable Community Strategy 2008-21 under the Healthier Adults and Communities, and Children and Young People themes, and specific reference is made in the Local Area Agreement under targets measuring obesity in primary age children, and mortality from circulatory diseases.
- 4.25 The Committee found that Tees Active's major contribution towards the Borough's wider aims is in relation to this health improvement agenda, in relation to obesity but also other issues such as cardiac rehabilitation. In addition to the wider benefits of a general increase in attendance at leisure centres, there are a number of specific programmes in place. These include:
- Active Health – Exercise Referral. This was previously known as 'exercise on prescription', and is targeted at those who need help to tackle obesity, cardiac conditions, and accident rehabilitation amongst others. Access to

swimming, gyms, and exercise classes is available through the scheme with appropriate support and guidance. The operational costs and activity subsidies are met by TAL, contributions are made by Sports Development, with PCT funding enabling the scheme to be extended to those needing one-to-one support. The scheme sees an average of 60 people a month

- Active Health – Weight Management. This programme is in direct response to the obesity issue and started in 2008. As of November, the scheme was operating at a capacity of over 10 people per month. This also receives PCT funding, and TAL fund the activity subsidies.

Swipe cards are now in place, and this enables TAL to track usage of the scheme and usage of facilities once a user's initial 12-week course comes to an end.

- 4.26 Depending on the availability of funding, future joint work in this regard could include: more specialist support to those with weight related conditions, linked to pre-screening by the PCT, increased capacity in the Weight Management scheme, and the recruitment of a marketing officer to engage residents onto suitable programmes.
- 4.27 With regard to the provision of catering at Tees Active venues, the Committee note that both the facilities and choice of food can both be seen to be in need of some improvement. Tees Active reports that those healthy options that are in place through vending machines are not enormously popular. However, as part of the three main re-development schemes, catering venues are to be improved, and the Committee note that the new range of products that will be on offer will have an emphasis on healthy options.
- 4.28 There is specific work under way in relation to children's health. This is especially apparent through the Young Persons Active Health Scheme. This scheme provides nutritional advice and physical activities to children aged between 5-16 years who would benefit. This takes place in two main ways:
- Community based sessions in schools. These take place in 20 schools and reaches c.2000 children in a non-leisure centre environment.
 - Intensive individual support to children. This currently supports over 200 children, and access is gained through GP-led or self referral.
- 4.29 There is also a Holiday Camp for the school holiday period. Funding for the YPAHS comes through the PCT, via a two year package worth approximately £350k. In addition to this particular scheme, PCT funding has enabled Tees Active to provide the Sporting Start school holiday activity programme, a number of free leisure cards to targeted children, and the Active Start programme of activities aimed at children.
- 4.30 Co-location of facilities takes place; for example, at the Forum there is an outpatients physiotherapy service. In general, Tees Active would support further integration of similar services subject to space being available, and that there remains the scope for more joint planning in future.
- 4.31 In addition to the health agenda, Tees Active report that they have employed over 30 more local people compared to when they were formed. Tees Active will be playing a full part in the exploitation of the opportunities presented by the river, primarily through the utilisation of Castlegate Quay Watersports

Centre and associated events, and the economic benefits that should follow, as identified by the Committee during its previous work on River Based Leisure Facilities.

- 4.32 It is clear that much of this work is being delivered in partnership with other local bodies including the Council and the PCT. Partnership working in general is a key element to a successful council-trust relationship. The Audit Commission found that around half of councils did not have good partnership arrangements, and have focussed on cost savings rather than considering wider corporate priorities. Nationally, good outcomes in terms of participation and facility improvement have been in situations where effective partnership working is in place. It is considered that common aspects of a good partnership include: clear commitment to the partnership at a high level, an understanding of partners' priorities and the ability to work together to achieve them, flexibility from all partners, good informal and formal communications and the ability to resolve problems together, and an agreed strategy for service improvement with shared responsibilities and investment.
- 4.33 Through the benchmarking process and by examining the national context, the Committee have identified that well developed partnership working is not always apparent and that the strategic approach taken by Tees Active should be applauded.
- 4.34 Overall, the Committee believe that the Council and Tees Active have developed an effective partnership, and the trust is seen to be contributing to the Borough's priorities, especially health. The Committee consider that it would be appropriate for Tees Active to widen its contributions in order to take into account other agendas, including, but not exclusive to, community safety and children and young people. This could include the provision of appropriate and targeted diversionary activities for young people, and more emphasis on promoting holiday activities towards those children in deprived areas. The recent Audit Commission report 'Tired of Hanging Around' has re-emphasised that sport and leisure have an important role to play in preventing anti-social behaviour.

Public opinion, reputation and engagement with users

- 4.35 The Committee found that TAL have established a favourable national, regional and local reputation. The Cabinet Office praised the standard achieved when TAL was assessed for Charter Mark status. The Committee have received evidence from Sport England North East and Tees Valley, and both have reported that Tees Active and Stockton Council are held in a high regard regionally. Sport England believe that the Active People survey will become ever more useful as it is repeated over the years, and this will continue to show levels of participation and public opinion on local sports provision across the north east and beyond.
- 4.34 Tees Valley Sport has had Board representation at TAL since its formation, and they report that good governance arrangements are in place. They believe that there is a commitment to sporting equity through the use of the Option 3 Leisure Cards, and that good promotion of facilities takes place. It was noted that closer working could be encouraged between TAL and the Council's Sport Development Team in order to fully exploit Sport Development's expertise in relation to widening access. However, the

Committee note that an improved working relationship is in place, and regular liaison meetings occur.

- 4.35 The 2008 MORI Survey results show that leisure provision remains important to local people; 'leisure centres' have been in residents' top five 'most important services' since 2002. Additionally, in 2008 the MORI Survey identifies that, across the Borough, 36% of households use / benefit from swimming pools and 34% of households use / benefit from leisure centres. Across the Borough as a whole, between 2002 and 2008, MORI identifies biennial increases in residents overall satisfaction with both swimming pools and leisure centres. This is illustrated in Figures 4 and 5 below.

Figure 4. Satisfaction with Leisure Centres

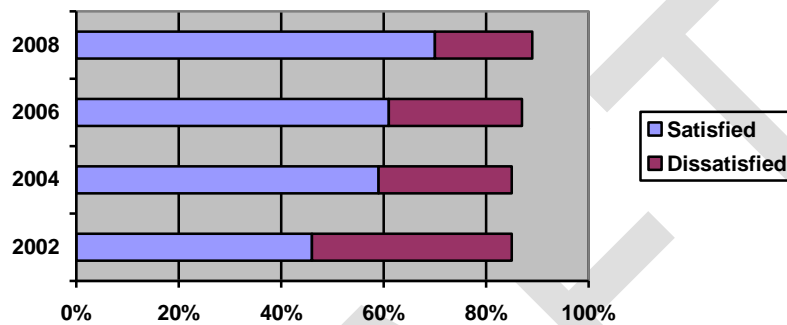
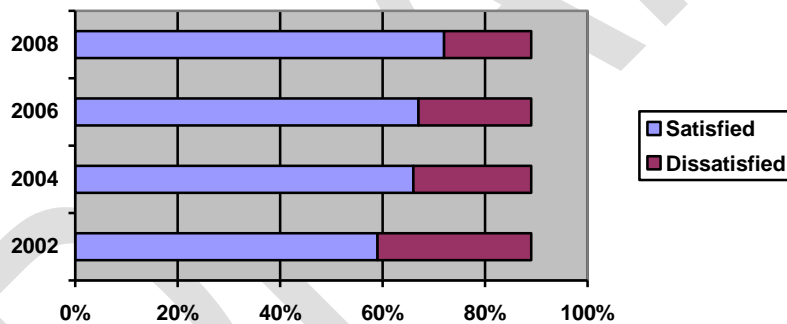


Figure 5. Satisfaction with Swimming Pools



- 4.36 As can be seen in Figures 4 and 5, 'dissatisfaction' with leisure centres and swimming pools respectively has decreased between 2002 and 2008 and, across the same period, 'satisfaction' has increased biennially. Net (overall) satisfaction with both leisure centres and swimming pools has therefore increased biennially between 2002 and 2008³.
- 4.37 Mystery Shopper survey results have shown a trend of improving results, and the scores are ahead of national equivalents. Customer satisfaction ratings for individual facilities have improved between 2002 and 2007, and the average score is up from 92.5% to 96.98%. Members of the Committee have reported positive feedback from residents in relation to Tees Active services.

³ Net satisfaction is calculated by subtracting the total percentage dissatisfaction from the total percentage satisfaction. When completing the survey, respondents had the option of expressing either 'neither satisfied nor dissatisfied' or 'don't know' as their answer. The responses given to these questions are not taken into account when calculating net satisfaction.

A Viewpoint Survey for Sports Development of May 2008, identified that TAL provide for the most popular sports that residents are interested in (swimming, gym fitness, and badminton). However, 64% of those responding to the survey (which did not solely examine TAL services) stated that they did not know who to contact to find out more information on sporting clubs or sporting activities in the Borough.

- 4.38 The comments received by the Committee as part of its consultation have been mostly positive, and these included comments from clubs that use TAL venues, and the PCT Health Trainer service. There was praise for TAL management, operational staff, and the consultation that has taken place in relation to the closure of the Forum.
- 4.39 The Committee noted that in Quarter 3 of 2008-09, complaints to Tees Active comprised 16.3% of all those received across Council service areas, Tristar Homes and Tees Active. The detail on complaints received is outlined at Appendix 3 for the period 2008-09 and the previous year. Commendations over the same period are also provided. In terms of complaints, the actual number received is lower than for the same period the year before, and there does not appear to be an overall trend. Comments received for this Quarter also reflect the upcoming closures/temporary closures of venues. The Committee recognise that leisure centres receive a high foot fall of visitors compared to other council venues/services and most complaints are made during the actual visit to the centres, as the customer leaves the venue. Complaint information is considered by Tees Active Board, as well as through the Council's performance monitoring procedures. The Council/TAL management group are to examine this issue at a forthcoming meeting in order to see what type of circumstances of events tend to generate complaints. Progress on any agreed actions will be reviewed by the same group on a cyclical basis.
- 4.40 Tees Active do not currently have a dedicated 'user group' for consultative purposes, although a customer talk back scheme is in place in the venues. The Committee consider that establishing a user group should be considered for introduction, as part of efforts to ensure that consultative mechanisms are continually improved. The Board of TAL contains a Customer Representative, and the Committee received some comment that users were unsure as to how this representative was elected.
- 4.41 In terms of marketing, the Committee found that TAL had 'speculated to accumulate' and have increased the budget allocation since 2004. Since April 2008 the budget has been £98k and a dedicated marketing team is in place. The new Business Plan highlights continuing work to be undertaken in this regard, specifically in relation to: general awareness raising, new product promotion (including promotion of the refurbished venues), Customer Relationship Management, advertising and sponsorship (including continued sponsorship of Evening Gazette Awards) and continued use of surveys and market information.
- 4.42 The Committee have already identified in the River Based Leisure Facilities Review that increased work needed to take place specifically in relation to raising the profile of Watersports as a sporting option for the people of the Borough, and to increase school use of the facilities at Castlegate Quay.

High performance sport and development of talented individuals

- 4.43 The Committee were pleased to received evidence on the operation of the Tees Active Sports Academy. This innovative scheme was launched in 2006 and provides a support service to talented athletes that: are under 22 (35 for disabled athletes), live within Borough or train at a club training in a Tees Active facility, and have reached a certain level of performance.
- 4.44 Benefits of membership include free access to TAL facilities, free sports injury treatment, musculo-skeletal screening, fitness and nutritional advice, PR support, testing and attendance at master classes. Fifty athletes have been inducted, across 16 different sports. Academy members have competed at events including the Beijing Olympics, European and World Short Course championships (swimming), and European U20 championships (athletics). A limit on membership has not been reached but may need to be considered in future.
- 4.45 Funding is mainly from TAL, although some small scale sponsorship has been achieved, eg Norwich Union. The 2008-11 Business Plan includes provision for a full review of the Academy, and the new Forum will include space dedicated to Academy use.
- 4.46 The Academy has raised the profile of TAL locally and beyond. The Academy is something that not all Trusts have undertaken, and TAL have developed relationships with Teesside University, Teesside Sports Injury Centre, and national governing bodies in order to support its work.
- 4.47 The Committee believe that the Academy is an excellent aspect of Tees Active's work. The Academy is aimed at the most talented performers in the Borough; Tees Active provide additional support on a case by case basis to those who apply for entry but do not meet each sport's individual standards, including reduced admission to facilities. The Committee believe that Tees Active should consider extending this level of extra support where appropriate.
- 4.48 In addition, the Borough of Stockton Swim Scheme (BOSSS) is the Borough's talent development system for swimming in the area. TAL have provided them with funding to strengthen the coaching team. National swimmers and coaches are associated with the scheme. Stockton Amateur Swimming Club (providers of swimmers to BOSSS) have provided positive feedback in relation to support received from TAL, both facility staff and management.

Social Inclusion

- 4.49 At the point of Tees Active's foundation it was clearly stated that there would be a maintained commitment to the social inclusion agenda, and TAL clearly has a role to play through widening participation and the inclusion of under represented groups. The user breakdown for 2007 (compared to 2005 JSU population estimates) show that:
- More users are female than male, and female usage is higher than the population proportion
 - 13.5% of TAL users are retired, compared to 2.3% of population
 - BME users represent 4.4% of users, but 2.3% of the population
 - 4.2% of users are unemployed, compared to 5.8% of the population

- 4.50 The Option 3 Leisure Card provides a good method of monitoring the uptake of services by disadvantaged groups. The cards are free, provide a 50% discount on activities and available to those on income support, job seekers allowance, disability living allowance and various other benefits. It is also available for full time students. The rate of increase by Option 3 users is over twice that of those paying standard rates.
- 4.51 The rate of increase of use by children is three times that of adults. However, the Borough has an ageing population with 32% over 50, and one in five likely to be over 65 by 2025. In real terms, the number of users over 50 has risen by 8% in 4 years.
- 4.52 The general programme of activities is intended to include at least some activities that will be attractive to the older age groups, including early and lunchtime swims, and specific activities include low impact and over 50s fitness sessions. The Option 2 Leisure Card provides a discount on activities for those over 60 and can be purchased at a reduced rate compared to the standard card (Option 1). In partnership with the Council, Tees Active will be offering the free swimming initiative for both those aged over 60 and those under 16.
- 4.53 Across the Borough as a whole, in the 2008 MORI survey, satisfaction with leisure centres is fairly constant across all age groups, and for swimming pools, net satisfaction is highest amongst the older age groups, namely 55-64 (67%), 64-74 (73%) and 75+ (80%). In addition, there is no direct evidence that Tees Active does not provide for older people. However, TAL recognise the need to ensure that the experience of attending its venues is attractive through good lighting and improved changing rooms for instance. Tees Active has only irregular contact with organisations such as the Over 50s Assembly, and believes that this aspect of consultation could be developed further.
- 4.54 The Committee note that the 2008 MORI results indicate that, for leisure centres, across the Borough as a whole, net satisfaction amongst those with a disability/long term illness was significantly lower than (37% compared with 51%) for the Borough as a whole. For swimming pools, net satisfaction amongst residents with a disability / long term illness was 51% and across the Borough as a whole it was 56%. This is a relatively small but nonetheless significant difference. Considering this further, significantly, two thirds of residents with a disability / long term illness that expressed any dissatisfaction with swimming pools stated that they were 'very dissatisfied'.
- 4.55 The 2008 MORI results show that, net satisfaction with leisure centres amongst the Borough's BME population⁴, at 70% which is significantly higher than for the Borough as a whole in this respect. By contrast however, net satisfaction with swimming pools for these residents of the Borough is at 34%, which is significantly lower than for the Borough as a whole. The Committee are keen for these variations, and all types of dissatisfaction, to be fully explored.
- 4.56 In the benchmarking exercise, Tees Active have stated that they provide specific support to include people of all faiths, and specific support for people with disabilities. Tees Active are working towards meeting the Foundation

⁴ Please note that, in their analysis of the Survey findings, Ipsos MORI identify BME residents as 'non-white'.

Level of the Equality Standard for Sport⁵. This examines an organisations commitment to equality, and the next stage, or Preliminary Level, examines whether an organisation is clear about what it needs to do to achieve equality.

- 4.57 Completion of this will enable TAL to be well placed to meet the needs of a diverse community. Building on this work, the Committee have made recommendations in order to ensure that TAL continues to cater for all local residents and consults widely within the community in order to ensure its services meet the needs of local people.
- 4.58 The Committee have examined services for Looked After Children. Stockton Council is the corporate parent for around 230 children and young people in the Borough. Because of a steady increase in the number of these children some of the newer placements with fostering agencies and private residential homes are outside the Borough. Leisure Cards are provided to those children for which the Council is responsible together with reduced rates for foster carers and their families. Looked after children are able to access a number of activities for free, including swimming, ice skating, and the Activ8 health and fitness suites. Some activities such as squash and badminton are not included. Currently it is only those children who are the responsibility of the Stockton Council who have access to this scheme, and other children who live in the Borough but are the responsibility of other councils do not benefit from this particular scheme. As of November 2008, there were 82 of these memberships in use. Total usage was 485 visits in 2006-07, and 943 visits in 2007-08.
- 4.59 All of twelve of those children living in Stockton's three children's homes have membership; however take-up is generally quite low amongst foster carers. It is thought that some foster parents may be aware of the scheme but not have the time to visit the centres, and it is recognised that looked after children may need support to use the card and attend the centres. Children in care, or their carers, automatically receive an application form when they enter care, however there has been a slow take-up of the renewal of card after they expire after a year. The Committee consider that TAL should work in conjunction with Children's Services to deliver support where appropriate and ensure the scheme is fully promoted.

Organisational Development

- 4.60 As an independent company, TAL has the ability to purchase utility/support services from any supplier. It was included in the original business plan to review support service costs to achieve better value, and this has resulted in a reduction of £27.5k in such costs. Purchasing efficiencies (including utilities) in the order of £228k have been achieved since 2004.
- 4.61 Following the TAL's establishment, the original members of staff were transferred from SBC Leisure Services under TUPE regulations. Personnel policies and procedures were to reflect those of the Council. TAL staff negotiations now take place outside the national negotiating framework (since 2006) and so Terms and Conditions are now subject to independent negotiation. TAL are able to offer enhanced conditions that would not be

⁵ The Equality Standard for Sport is based on a collaboration of the four Home County Sports Councils and UK Sport. It is initially aimed at governing bodies and organisations such as TAL are not yet eligible for accreditation, however they can work towards its standards.

possible elsewhere, as part of the ethos of TAL being a 'high performance, high reward' company. An Employee Consultation Group is in place.

- 4.62 Members have noted with interest the performance of TAL with regard to reducing sickness absence levels. The original target was to reduce sickness absence from 13.95 to 7.95 by 2008. With a staff of 152.47 FTE, sickness levels were down to 2.55 days by end of September 08 (mid-year figure). In terms of procedure, TAL have been diligent in terms of implementing the adopted policies of SBC and the pursuit of long term absentees, eg. 'back to work' interviews and disciplinary action where necessary. The policy can be seen to be based on prevention, and management, including rehabilitation in the workplace. It was also stated to the Committee that the results could be a reflection of TAL being a good working environment.
- 4.63 TAL has undertaken a comprehensive Staff Survey, and the Committee planned to incorporate the results of the survey into the review. The Committee accept that production of the survey results and analysis was postponed due to ongoing preparation work in relation to the imminent major capital schemes and so they were not available within the timescale of the Committee's work. Therefore the Committee request that they are made available at a future meeting of the Committee.

Future plans and opportunities

- 4.64 As part of the evidence received during the review, the Committee considered Tees Active's Business Development Plan 2008-11; this outlined the medium term future plans of the company. It is recognised that the period will be characterised by the investment in Splash, the Forum and Pavilion, and the disruption to services that this will cause. The developments include:
- Splash Extension. This will include an extended Activ8 Gym, additional multi-activity rooms, and café space. This work will cost approximately £2.8m, and Tees Active are contributing £2.5m through borrowing. In addition to the main project, TAL using £150k to improve the wet side changing rooms, lockers, and the café fittings.
 - Billingham Forum Refurbishment. This is a major Council-led scheme that will improve the leisure facilities in the Forum through a re-configuration of the pool, extension to the gym, improved catering, redeveloped ice arena and include space for commercial letting. The scheme will cost c.£15m, and approximately £6m is being funded by TAL through borrowing.
 - Thornaby Pavilion Refurbishment. A general refurbishment of the main rooms is taking place including the sports halls and café, and Tees Active are funding this by £800k through borrowing. This is linked to the work undertaken on the entrance facilities as part of the Thornaby Town Centre regeneration. It is also planned to improve changing facilities and minor works on bowls hall.
- 4.65 New business plans will be developed for each of the re-developed venues and the aim will be to provide the capacity to fund prudential borrowing repayments totalling £700k per year over the next 20 years. £180k of this money will be funded through savings related to the closure of Stockton Sports Centre.

- 4.66 It is recognised that the period will cause major business disruption and measures have been put in place to mitigate the impact on users, especially at the Forum which will be closed for up to 18 months. Consultation with users has taken place and the Committee have received no adverse comment in relation to the plan for the period during which the Forum will be out of service. The Committee are satisfied that most users appreciate the benefit of the closure period.



Splash, Stockton Town Centre (Photo Credit: Peter Mernagh)

- 4.67 The Committee found that there is a planned programme of improvements in relation to the following key service products that have been identified and are most popular with the public:
- Young Persons Active Health Scheme
 - Activ8 Health and Fitness
 - Swimming
 - Ice Skating
 - Adventurous Activities – (an expansion from base of Castlegate Quay into non-water based activities)
 - The Tees Active Academy
 - Thornaby Bowls
- 4.68 In addition to the development of the facilities and services, TAL have identified other business development opportunities in order to build upon the base that has been established in the first four years of operation. These include:
- Internal development. This includes the new business plans for the major venues, and also development of the ‘business to business’ offer that includes training and corporate leisure services.
 - Local Authority Contracts. This is the potential to manage other local authority leisure contracts. TAL’s policy in this regard is that new contracts would need to be either a strategic fit sub-regionally, or for financial gain on a regional basis.
 - Local expansion within the Borough. Previously Tees Active have expanded its operations to take on the management of Castlegate Quay and Thornaby Bowls Club. In future the two main areas for expansion are seen to be river based activity, and educational establishments.
- 4.69 The Committee are particularly interested in the developing links with educational facilities. Current work includes Bede College and its new facilities, and Thornaby Community School. The Committee are mindful of the long term opportunities presented by the Building Schools for the Future

programme, and TAL have been involved in the PE and Sport Working Group as part of the BSF planning process. Members have been keen to explore the need to open up under-used school based facilities, and believe that Tees Active could have a role to play in the management of school sports facilities, and the access of the public and sporting clubs to them, including the school fields where appropriate.

4.70 The Committee support TAL's desire to attain Quest accreditation. Quest is the UK Quality Scheme for Sport and Leisure; through self-assessment and external validation, the scheme demonstrates high standards in facility management, partly through challenging centres to look anew at their services from a customer's point of view. It is available across the whole sector, whether private, council, or trust facilities. In addition, in order to improve further TAL's web presence, the Committee consider that it should be investigated as to whether it would be possible for leisure activities to be booked online via the website, in addition to in person and over the phone.

4.71 The Committee found that all partners are highly conscious of the motivational impact of the London 2012 Olympic and Paralympic Games. This will provide a backdrop to all of Tees Active's work over the next three years.

5.0 Conclusions

5.1 The Committee found that Tees Active has more than delivered against its original aims and would like to congratulate Tees Active on its achievements. There have been large increases in attendance at local leisure centres and swimming pools, services have been improved, and the Borough's leisure services have established a favourable local and regional reputation.

5.2 The large scale asset re-development programme that is being undertaken in conjunction with Stockton Council will only serve to further improve leisure facilities in the Borough and TAL's ability to contribute towards this has been crucial.

5.3 In order to build on its achievements, the Committee has identified a number of improvements that could be made to the partnership arrangements established between the Council and the trust. The Council provides a significant amount of money to Tees Active in order to support its activities and therefore it is considered appropriate to strengthen the monitoring arrangements that are in place. Tees Active make a contribution towards the strategic aims of the Borough, however there is always room for improvement and Tees Active should consider how it could widen its activities in this regard.

Appendix 1 – TAL Performance against Business Plan 2005-08 (Information provided by Tees Active)

SERVICE DEVELOPMENT

Target	Outcome	Comments
1. Develop Active Start programme aimed at primary age children – health and physical activity initiative.	Through a combination of TAL funding and external grants we have formed an Active Life team of 5 people delivering tailored physical activity programmes to school groups and individual children referred by parents and doctors. Now reaching approx 2500 individual children each year outwith the leisure centres.	The programmes – including the Young Persons Active Health Scheme – have attracted around £284k in external funding through NRF and The Big Lottery in the past two years with bids in partnership with the local PCT.
2. Expand Active Health programmes working with health authorities on specific initiatives aimed at adults.	The Active Health brand has been developed to include the work of the SBC Sports Development team. It has been expanded to include weight loss programmes, Active Health multi-activity sessions, and work with patients referred through Neurology and mental health services. GP referrals have increased by 28% to the 06/07 level of 1415 patients per year.	Work in this area is very much a joint effort with Sports Development as the links with the local health authorities deepen.
3. Introduce Active Choice scheme as an adaptation and re-branding of the Leisure Saver Card aimed at extending range of payment options.	The Active Choice brand name was not introduced but we redeveloped the Leisure Saver Card and extended the number of payment options available, such as annual packages and increased direct debits. The number of Leisure Saver Cards now in use has increased from 8626 to 25435 since May 2004.	
4. Develop plans to increase capacity of Activ8 gyms in our Active Life centres.	Plans have been completed for the extension of Thornaby and Splash gyms within the capital schemes for those facilities (see asset management). This will increase Activ8 capacity by 50%. Splash will be operational in January 2009 and Thornaby in January 2009.	Billingham Forum Activ8 expansion remains dependant on SBC plans for the development of Billingham Forum.
5. Review supplier deal for fitness equipment and procure new equipment for next five years.	TAL has been through a procurement process and agreed five year supplier deal with the	This represents a £530k investment based on a lease arrangement.

	country's leading fitness equipment firm, Technogym.	
6. Examine business potential for Activ8 gyms outside of existing facilities.	TAL has had discussions on several potential additional locations but plans for further developments have been put on hold until the core leisure centres have been redeveloped.	The fitness sector can provide significant growth potential for TAL to increase our capacity to fund borrowing for larger scale investment. However, it is important not to over reach in this sector.
7. Increase number of swim visits to all TAL facilities by 2% per year (see performance data).	Swim visits have increased by an average of 3.1% per year in the three years of management by TAL compared to a national average of 2.1%.	Sport England participation targets are based on 1% increase per year until 2020.
8. Review relationship with BOSSS (swimming development scheme) in order to better support talented swimmers.	TAL has invested direct financial support for the BOSSS scheme, now to the tune of £10,100 annually, to strengthen the coaching team.	BOSSS is now recognised as one of the foremost swimming schemes in the country with national swimmers and coaches now associated with the club.
9. Form a development plan for ice sports.	We continue to work with the individual groups and sports but have put development plans on hold until the future of the building is decided.	
11. Increase ice skating visits by 2% per year.	Through increased investment in the rink and strong marketing, ice visits have risen from 131,173 in March 2004 to 194,295 in March 2007, an increase of over 48%.	
12. Integrate Castlegate Quay into TAL establishing a robust financial operating plan.	CQWC now has a completely new staff structure and a solid financial structure and is fully integrated into TAL.	
13. Attract and host the North East Regional Development Officer of the RYA.	TAL was successful in attracting this post which is part funded by the RYA for three years.	
14. Organise a sailing instructors course to develop a new crop of instructors.	A modified version of this scheme was delivered through NRF funding.	
15. Target educational establishments, youth groups, corporate business to boost income streams.	CQWC now has contracts with a number of schools to deliver watersports as part of the adventurous activity curriculum. Corporate business is developing in terms of functions in the Ward Room and team building activities on the river.	

16. Develop closer working links with other agencies on the Tees in order to help develop the potential of the river as a leisure venue.	TAL has been instrumental in establishing a regular forum for agencies on the river and is taking an increasing role in developing events on and around the river.	
17. Form a multi-sport academy to support local aspiring athletes with a range of services	In March 2006 the Tees Active Sports Academy was launched with Dame Tanni Gray Thompson as our Academy Champion. We now support 41 athletes covering 13 different sports and have gained regional and national recognition for this unique venture.	The Academy continues to be an excellent vehicle for raising the profile of the company with weekly newspaper articles covering our Academy Athletes, which now includes six potential Olympians.
18. Introduce E-booking system to help SBC achieve E-government targets.	Achieved.	
19. Introduce access scheme for children in care.	Achieved and introduced through SBC Social Services colleagues. All Children in Care (CIC) are now eligible for a free Leisure Saver Card giving free access to individual activities in Active Life Centres. In 2006/7 there were 485 visits by people with a free (CIC) card.	The scheme is a part of the SBC duty of care as a corporate parent.

MARKETING AND PROMOTION

1. Use of multi-media to promote the company and it's products.	TAL has developed excellent relations with local media outlets to reach our target audiences. We now employ a team of two marketing and PR professionals to promote the company.	
2. Develop a range of merchandise to reflect individual brands and develop new income.	Still in development phase.	
3. Launch new Tees Active website.	This is complete, and receives over 250 hits per day. It is managed daily and is now a key element of our marketing strategy.	The website is the vehicle for e-bookings and is to be further refined to be more interactive.
4. Review external signage at all centres.	Small Tees Active signs are in place but larger signage has been postponed until the large capital developments are complete.	
5. Explore viability of a Tees wide leisure publication with other leisure providers.	Other partners were not willing to invest in the project. We are still working on other options	

	which would be self funding.	
6. Produce targeted newsletters for staff and specific customer groups.	The Staff INFORM newsletter is now a quarterly feature and there is an annual E-FORM for council members. Occasional newsletters for customers have been produced but more regular publications are being planned.	
7. Produce promotional plans for key income streams and service areas – Active Life programme, swimming, ice skating, corporate packages, Academy.	New brands have been developed including the 'Bubble the Dolphin' swim scheme. Regular press coverage and increase visitor numbers testify to the success of the plans.	Increased visitor numbers in key areas are the measure of the success of marketing initiatives.
8. Attract £50k sponsorship income per year.	Commercial sponsorship has been difficult to achieve. Only minimal sponsorship has been achieved.	Lack of success in attracting commercial support has been countered by success in attracting other external funding which to date exceeds £380k (Av. over £130k per year)
9. Use sponsorship of external events to raise profile of TAL.	Our main sponsorship deal is £10k per year for the Evening Gazette Sports Awards. In addition we spend a further £5k on various sports leagues and competitions in TAL venues.	Our sponsorship strategy has guaranteed us weekly brand coverage in the local press thereby keeping the name of Tees Active in the public eye.
10. Conduct market research in four key areas: Customer satisfaction annually, non-user surveys bi-annually, ILAM (ISPAL) mystery visitor audits, Mori surveys within council process.	All have been completed.	In addition to these surveys we have conducted numerous service specific surveys in relation to specific issues or developments.
11. Increase involvement in events through sponsorship and event organisation. The aim to raise company profile and help promote particular sports.	We now have a broad portfolio of events with which we are involved.	River based events are organised within the broader context of the development of the river Tees as an events venue attracting visitors and a positive profile to the area.

ASSET MANAGEMENT

1. Develop proposals for an extension to Splash to replace Stockton Sports Centre. Initially estimated at £1.6m.	Plans are now advanced and work is expected to begin on a £4.92m scheme. TAL is funding £120k directly from reserves and £4.2m through borrowing.	SBC are contributing £600k to the scheme which will also see the demolition of Stockton Sports Centre and the development of a new football changing pavilion on that site.
2. Build an addition water slide at Splash.	Completed and opened in November 2005 at a	

	cost of £120k.	
3. Review and improve catering operation including investment in facilities.	Included in the major Splash 2 re-development.	Completed with help of a catering consultant and will be subject to external market testing.
4. Improve signing and display.	New electronic sign adjacent to car park installed in 2005.	
5. Refurbish Thornaby Pavilion as part of Thornfield town centre redevelopment. Initially estimated at £600k.	Work has now started on a £1.44m refurbishment. TAL is funding £140k from reserves and £880k through borrowing.	The scheme was increased when the opportunity arose to reduce the bowls hall from 8 to 6 rinks making way for a new Activ8fitness suite.
6. Replace fixed balcony seating At Pavilion.	Deferred in light of the increased investment in the rest of the scheme.	
7. Refurbish male and female changing rooms.	Will be completed as part of the main plan.	
8. Re-line the pool tank at Thornaby Pool.	Work was restricted by the condition of the pool lining but has been completed in a limited manner at a cost of £12k.	In addition a further £30k was spent on redecoration and refurbishment of changing and foyer areas and plant replacement.
9. Assess viability of installing a floating floor at Thornaby Pool.	Assessment completed and not seen as financially viable.	
10. At Castlegate Quay, redesign boat storage, start rolling programme of craft replacement and invest in equipment for the Ward Room conference facilities. Estimated at £30k.	Completed.	
11. Create new staff change area at Castlegate Quay costed at £10k.	Deferred.	
12. Create sinking fund of £60k per year to ensure future maintenance responsibilities can be met.	Achieved.	
13. Create mobile maintenance unit at cost of £35k.	Billingham Forum as become the main focus of maintenance liabilities so this proposal was modified to deal with the Forum. A maintenance post has been created for the facility.	
14. Purchase mobile pool vacuum and jetwash for use across the company.	Achieved.	
15. Adopt the Equality Framework for Sport in order to help address access issues.	Achieved.	

WORKFORCE DEVELOPMENT

1. Achieve 95% completion of annual Employee Development interviews (EDI).	TAL achieved 85% in 2006/7.	A review of the structure of EDIs will follow to assess why it is so difficult to exceed 85%.
2. Integrate Castlegate Quay employees onto TAL terms and conditions.	Achieved.	
3. Review terms and conditions and consultation process.	TAL withdrew from national negotiating machinery in 2006 and negotiated the 2007 pay award through our new, independent negotiating body. TAL staff now have terms and conditions that are subject to independent negotiation.	
4. Introduce a new Employee Consultation Group (ECG).	Achieved.	
5. Review of the Recruitment package.	Deferred.	

FINANCE AND PERFORMANCE

1. Maintain a company reserve of at least £100k.	Achieved.	The reserve is planned to dip below that level in 2008 when the major capital investment schemes are implemented. Projections demonstrate a replenishment of the reserves over the following three years.
2. Review support service costs with a view to achieving better value for money.	TAL has reduced annual support service costs by £27.5k through effective negotiation and challenge.	
3. Regular monitoring and challenging of key purchases, including utilities, to achieve best value for TAL.	TAL has achieved purchasing efficiencies of £228k compared to costs in 2004.	
4. Reduce sickness absence from 13.95 days per person by 2 days per year to 7.95 days by 2008.	By March 2007 sickness absence has been reduced to 7.75 days per year.	
5. Projected 3% increase in core income per year.	Customer income has increased by an average of 15% since March 2004.	This is in the context of management fee increases of only 1% per year thereby generating real savings for SBC.

6. Increase visitor numbers by 2% per year.	From March 2004 to March 2007 visitor numbers have increased by 7.5% an average of 2.5% per year.	The full breakdown of visitor numbers in key activity areas is attached.
7. Projected investment of £2m through investment fund and borrowing by March 2008.	Actual investment to March 2007 has been £552k from the investment fund. A further £5.08m has been committed in borrowing for capital investment plus a further £260k from the investment fund. In addition TAL will be investing £540k through a lease arrangement for new fitness equipment. This makes a total of £6,432,000 guaranteed investment from TAL.	
8. TAL committed to examining a number of quality accreditation standards before deciding on the most appropriate route.	TAL has achieved Charter Mark for the whole service with a standard that has been commended to Cabinet Office as an example of good practice. In addition TAL has achieved the SBC Customer First standard. We are considering Quest as an additional quality standard.	

Tees Active - Performance Indicators

Visitor Numbers

	Actual 2003/2004	Actual 2004/2005	Actual 2005/2006	Actual 2006/2007	Actual 2007-2008	Target 2008/2009
Total number of visits	1,422,973	1,433,687	1,496,133	1,530,002	1,564,967	1,508,949
Visits per '000 population (Stockton Borough)	7,918	7,978	8,325	8,195	8,382	8,082
Leisure cards issued	8,626	9,693	21,054	25,435	29,213	33,000
Option 3 cards issued	5,801	6,050	10,616	10,559	12,553	13,000
Total number Option 3 visits	124,748	130,361	156,966	176,133	185,413	194,000
Average number of visits per option 3 card	21.5	21.54	14.78	16.68	14.77	14.92
Swimming visits	450,000	460,939	466,109	492,880	506,528	516,000
Number of junior visits	487,851	479,440	514,901	559,200	597,213	608,000
Number of Activ8 visits	90,515	97,069	113,267	112,085	131,379	157,000
Number of Skating visits	131,173	141,041	156,198	194,295	202,834	185,000

Note: Actual visitor numbers collected through the Torex Information Management system

Projections for 2008 onwards take into account the temporary closure of facilities during redevelopment.

Mystery Visit Scores

ILAM/ISPAL mystery visit scores	Actual 2004	Target 2005	Actual 2005	Target 2006	Actual 2006	Target 2007	Actual 2007
Thornaby Pool	65%	80%	75.6%	83%	75.6%	86%	79.4%
Thornaby Pavilion	68.9%	80%	68.3%	83%	76.1%	86%	80.6%
Splash	74.2%	84%	76.8%	86%	82.6%	87%	88.4%
Billingham Forum	70.5%	80%	73.5%	83%	70.5%	86%	74.8%
Castlegate Quay	N/A	N/A	76.3%	N/A	76.9%	N/A	85.6%
TAL Average	69.65	81%	73.55%	83.75%	76.34%	86.25%	81.76%
National Average	69.70		70.50%		71.20%		71.30%

Note: According to TAL: targets set by TAL are arguably too high given the physical problems with certain facilities that limit the potential score of those venues. However, the more interesting statistic is the growing difference between TAL average scores and national averages. Scores are based on a customer perception of a series of aspects of the visit/experience ranging from health and safety to staff service.

Complaint performance

	Actual 2004	Target 2005	Actual 2005	Target 2006	Actual 2006	Target 2007	Actual 2007
Complaints acknowledged in 5 days	82%	82%	100%	100%	100%	100%	100%
Full response within 10 days	91%	91%	100%	100%	100%	100%	100%

Customer Satisfaction Rating

Facility	2002	2007
Splash	91.6%	97.9%
Billingham Forum	90.5%	94.9%
Thornaby Pavilion	93.8%	97.3%
Thornaby Pool	95.6%	94.8%
Stockton Sports centre	91.0%	N/A
Castlegate Quay	N/A	100%
Average	92.50%	96.98%

Note: Satisfaction denotes an answer of either very or fairly satisfied.
 In addition, 96.8% of respondents said they would recommend TAL facilities to a friend.

User breakdown

Demographics	2005 JSU statistics	2007 TAL performance
Male	49.4%	45.9%
Female	50.6%	54.1%
Full time employed	44.8%	41.5%
Part time employed	15.4%	19.3%
Retired	2.3%	13.5%
Full time education	2.6%	9.7%
Unemployed	5.8%	4.2%
BME group	2.3%	4.4%

Note: Interviews for the above 2 tables are only conducted by people aged over 14.

Appendix 2

Active People survey results

Active People Survey 2 took place between October 2007 and October 2008 and interviewed 191,000 adults in England (age 16+) by telephone. Active People Survey 1 was undertaken between October 2005 and October 2006 and interviewed 363,724 adults in England (age 16+) by telephone. The surveys were undertaken by Ipsos MORI on behalf of Sport England.

The 'Base' refers to the sample size, i.e. the number of respondents

A statistically significant change between AP1 and AP2, is indicated by 'TRUE' in the column donating change and this means that Sport England are 95% certain that there has been a real change (increase or decrease). Where there has been no statistically significant change, this is indicated by 'FALSE'.

1 Participation is defined as taking part on at least 3 days a week in moderate intensity sport and active recreation (at least 12 days in the last 4 weeks) for at least 30 minutes continuously in any one session. Participation includes recreational walking and cycling.

<u>Local Authority</u>	Active People 1 %	Base	Active People 2 %	Base	Change
Stockton-on-Tees	24.4%	994	22.6%	505	FALSE

2 Volunteering is defined as 'Volunteering to support sport for at least one hour a week'.

<u>Local Authority</u>	Active People 1 %	Base	Active People 2 %	Base	Change
Stockton-on-Tees	4.0%	998	6.0%	510	FALSE

3 Club membership is defined as 'being a member of a club particularly so that you can participate in sport or recreational activity in the last 4 weeks'.

<u>Local Authority</u>	Active People 1 %	Base	Active People 2 %	Base	Change
Stockton-on-Tees	25.8%	1,000	25.5%	510	FALSE

4 Receiving tuition is defined as 'having received tuition from an instructor or coach to improve your performance in any sport or recreational activity in the last 12 months'.

<u>Local Authority</u>	Active People 1 %	Base	Active People 2 %	Base	Change
Stockton-on-Tees	16.0%	998	16.7%	508	FALSE

5 Organised Competition is defined as ‘having taken part in any organised competition in any sport or recreational activity in the last 12 months’.

<u>Local Authority</u>	Active People 1 Base		Active People 2 Base		Change
	%	Base	%	Base	
Stockton-on-Tees	16.0%	1,000	12.3%	510	TRUE

6 Satisfaction is the percentage of adults who are very or fairly satisfied with sports provision in their local area.

<u>Local Authority</u>	Active People 1 Base		Active People 2 Base		Change
	%	Base	%	Base	
Stockton-on-Tees	71.0%	836	72.1%	459	FALSE

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Appendix 3

Complaint and Commendations in relation to Tees Active

Complaints

2008-09				
Quarter	Number of complaints	% of total complaints	Locations with the most complaints	Main areas of complaint (covers all locations)
Q1	28	13.1%	Billingham Forum 11 Thornaby Pavilion 9	Misc. re classes 6; Cancellation of Active+ aquafit classes 9
Q2	16	7.7%	Thornaby Pavilion 8	Closure enquiries 2
Q3	32	16.3%	Thornaby Pavilion 14 Splash 8	Xmas party 7; Swimming/ lessons 7; Closure enquiries 3
Q4	Not yet available		Not yet available	Not yet available
Total so far	76	12.3%		

2007/08				
Quarter	Number of complaints	% of total complaints	Locations with the most complaints	Main areas of complaint (covers all locations)
Q1	12	6.9%	Splash 6	Showers 1; Procedures 5; Swimming 1
Q2	34	14.9%	Billingham Forum 5 Splash 20	Swimming lessons 3; No music in aquafit session 9;
Q3	37	15.3%	Thornaby Pavilion 21 Redheugh House 7	Swimming/ instructor 24; Removal of saunas from membership 7
Q4	23	10.5%	Thornaby Pavilion 13 Splash 8	Swimming 2; Class members 8; Gym air conditioning 4
Annual Total	106	12.3%		

Commendations

2008/09				
Quarter	Number of commendations	% of total commendations	Locations with the most commendations	Main areas of commendation (covers all locations)
Q1	14	4.0%	Castlegate Quay 6 Splash 3	Creche/ playgroup facilities 2; staff 5
Q2	28	6.4%	Thornaby Pavilion 10 Redheugh House 9	Creche/ playgroup facilities 10; staff 6
Q3	17	4.7%	Thornaby Pavilion 5 Redheugh House 6	Facilities 5; Lessons 6
Q4	Not yet available		Not yet available	Not yet available
Total so far	59	5.1%		

2007/08				
Quarter	Number of commendations	% of total commendations	Locations with the most commendations	Main areas of commendation (covers all locations)
Q1	10	2.5%	Redheugh House 6	Swimming instruction 4; Creche 1
Q2	31	7.3%	Thornaby Pavilion 18 Redheugh House 5	Swimming instruction 2; Creche and playgroup facilities 18
Q3	18	4.1%	Thornaby Pavilion 8 Splash 4	Playgroup facilitation 4; Thanks to staff 4
Q4	22	6.3%	Thornaby Pavilion 9 Redhaugh House 8	Creche and playgroup facilities 4; Works experience 3
Annual Total	81	5.0%		