

Annual Report Presentation Meeting Minutes

Thursday 17 December 2020 at 17:00

Present;

From GBC:

Ian Doyle (ID)

Jonathan Sewell (JBS)

Charlotte Brindley (CB)

Cllr James Steel (JS)

Cllr George Potter (GP)

Cllr Dennis Booth (DB)

Cllr Nigel Manning (NM)

From Freedom Leisure;

Mark Purnell (MP) Contracts Manager

Ref:	ITEM	Action
1.0	Apologies for absence	
1.1	Apologies were received from Kevin Hopkins (KH).	
2.0	Presentation of the Annual Report by Mark Purnell	
2.1	MP welcomed everyone to the meeting and introduced himself. MP joined as Operations Manager at Spectrum in March, just two weeks before the first lockdown. MP then changed posts in September and is now the Contract Manager.	
2.2	MP confirmed that he was happy to take questions at any point.	
3.0	Introduction & Achievements	
3.1	MP confirmed that the purpose of the presentation was to look at the performance during the period 1 April 2019 to 31 March 2020. The year was cut short (by 10 days) as a result of the Covid-19 pandemic and associated closures.	
3.2	MP was pleased to report that the Guildford Flames had another good season, which also had to end prematurely. MP commented how the Flames are an integral part of Spectrum's offering. MP commented how full the ice programme is, in terms of group and private lessons, courses, group bookings and public skate sessions and commented how well used the facilities were.	
3.3	MP reported that another successful part of the facility is the bowl, whereby it contributes around 10% of Spectrum's turnover and continues to be very popular.	
3.4	MP then highlighted Spectrum's charity of the year, Jigsaw, which Spectrum is able to help by providing free passes generated from Active card points that have been donated by customers.	
3.5	MP summarised the events for 2019/20, where more detail can be found on page 5 and 13 of the Annual Report. The number of swimming events, such as Galas, were also shown. MP is keen to see events returning to Spectrum when restrictions allow.	
3.6	MP summarised the catering performance for the year and explained how the catering forms a significant part to Spectrum's overall performance. The summary table on page 6 of the Annual Report sets out the catering's financial performance. Unfortunately, profit was down against the previous year, by just over £150k, partly as a result of the closure which saw 10 days' income lost. MP	

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	explained that a lot of work has also since been taken in respect of rotas and overall management of the facility.	
4.0	Ash Manor & Lido	
4.1	MP then provided an overview to Ash Manor Sports Centre and the Lido. MP confirmed that one of the biggest challenges that Ash faces is the number of gyms that are opening in the local area. Despite this, the venue had another successful year, and continues to maximise usage of the All Weather Pitch which is very popular.	
4.2	MP commented that a range of events took place at the Lido during 2019/20. The Lido had a very strong previous year, however this year, the facility faced challenges associated with water quality and an early closure due to the pandemic. MP reported that the Spectrum has accommodated 12 gym members that have moved across from the Lido. Other members have gone elsewhere. MP cannot confirm how many swimmers have moved across from the Lido but has been speaking with some of them and they remain keen to see the Lido opening again.	
5.0	Finance	
5.1	MP then covered the finances for each site. MP reported that the contract performed reasonably and may have possibly entered into a surplus had the year not been cut short. MP confirmed that staff costs at Spectrum and Ash have continued to improve year on year. MP outlined the importance of ensuring effective management of staff costs, particularly at this time. JS asked a question about the Lido's turnover percentage, which was up on the previous year. JBS explained that the Lido had a very strong year in 2018/19 due to the hot weather which is why the ratio of staff v's income will be very low compared to 2019/20, where the Lido didn't have such a strong year. JBS added the labour percentage will naturally drop if the weather is good as income will be up. JBS noted that staffing (in terms of lifeguarding) has to remain the same at the Lido, regardless of the weather.	
5.2	MP then presented the attendance figures for 2019/20, which were down by 58,912 on the previous year. Average spend per user has increased at Spectrum and Lido, with Ash Manor remaining broadly the same.	
6.0	Memberships	
6.1	MP has been impressed by the sales team at Spectrum, who are knowledgeable and have strengths in cross-selling. MP was pleased to report that memberships have continued to grow and confirmed that a few new memberships were introduced, such as the Student Plus, GBC Corporate, and Live Well membership. MP commented how essential it is for FL to focus on retaining those members, particularly as facilities enter an even more difficult phase as Guildford enters tier 3 whereby group exercise is not allowed to take place. MP outlined how the group exercise provision is a fundamental part of the membership offer, and its absence could erode FL's membership base. FL are working hard	

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	to hold on to the direct debits and encourage members not to cancel, while acknowledging the situation customers find themselves in.	
6.2	MP then summarised the concessionary memberships which he reported to have grown in 2019/20.	
7.0	Marketing	
7.1	MP then went on to provide an overview of the marketing of the sites, which has shifted away from pamphlets (as part of removing high touch point areas, while also being 'greener') and towards digital marketing. MP confirmed that marketing staff Geoff and Louise are on site to provide a more tailored marketing approach, as opposed to all marketing being done centrally by Head Office. FL continue to pitch Spectrum as a family attraction and 'destination' venue rather than a leisure centre. The key marketing focus during the period was on school holiday programmes (Spectrum and Ash), membership and the ice pantomime.	
7.2	MP presented a table which showed an overview of the marketing stats for Spectrum's web pages in terms of no. of sessions, users, page views etc. all of which increased on the previous year. MP confirmed that the website layout has been improved which has allowed customers to navigate to the relevant booking pages more easily. MP added that the marketing team were happy with the years' figures, including the returning visitor rates.	
7.3	MP summarised the stats for social media (Facebook, Instagram and Twitter). A total of 144k emails were sent between April 2019 and February 2020, with a 26% open rate. While this appears relatively low, this figure is strong against the benchmark rate of 15-20%. MP confirmed that emails are targeted so that they remain effective; the main focus being on swim lessons, holiday programmes and general information emails.	
8.0	Programming	
8.1	MP then presented the figures for the ice skating lesson programme which remains as popular as ever, with a 95.7% level of occupancy. MP explained that FL continue to work hard to maximise the space and added that last time he checked, a 97.8% occupancy level was being achieved.	
8.2	The meeting was then presented with a table to summarise the Leisure pool swimming activity for each month of the year. Toddler splash was significantly up on the previous year. The swim school programme is also performing very well with Spectrum's swim school having the greatest number of customers enrolled against all FL sites, which is a testament to the Swim School Manager and Pools Manager. MP reported that over 2000 spaces were filled and this will be built on further when there is a further push in January. MP added that more swim school teachers have also been appointed.	
8.3	MP referred to the Holiday programming which restarted in October this year (with restrictions). The holiday programming is a key part of Spectrum's offering and FL look forward to building on this.	
	The group exercise offering at Spectrum has seen new classes	

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	introduced to improve the overall offering and keep the programme vibrant. MP added that the group exercise instructors have 1:1's to ensure performance is monitored and standards remain high.	
8.4	MP then presented the list of parties that took place on 2019/20, whereby there was a slight improvement on the previous year. MP explained how crucial parties are in driving footfall and the impact these have on catering.	
8.5	MP touched upon the community sports development activity last year and the financial awards that were given by GLL.	
9.0	Customer Feedback	
9.1	<p>MP explained the E-Focus system that is in place which is used for customer feedback. MP confirmed that the system's efficiency allows FL to be more proactive in terms of dealing with complaints, constructive comments and compliments. MP confirmed that an immediate acknowledgement is sent to the customer, with a reply within 10 days.</p> <p>MP presented the numbers of customer comments received for each month of the year, divided into complaints, comment/suggestions and compliments. MP confirmed that the proportion of comments to the overall attendance figure is relatively small and that this area will be explored more vigorously this year.</p>	
9.2	MP confirmed that there are generally a lot of comments relating to general swimming (21.2%) and swim lessons (28.6%), with many of these comments attributed to swim lesson progress.	
9.3	MP then went on to present the figures for Net Promoter Score (NPS) survey. Spectrum scored 23 which is below the national average but an improvement on the year before. Ash and Lido perform above the national average.	
10.0	Health & Safety	
10.1	MP then presented the accidents across all sites, which remain under the national average of 0.42 accidents per 1000. Most of the accidents occur in facilities like the ice rink as you would expect.	
10.2	The number of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences regulations) reportable incidents were also shown. MP confirmed that there were 3 at Spectrum during 2019/20 and 2 at the Lido. MP commented how seriously FL take Health and Safety, and that a lot of work is done with the teams to ensure they keep on top of it.	
11.0	Environmental & Asset Management	
11.1	MP finished the presentation by summarising the utility usage for each site and also touching upon some of the schemes that have been introduced recently, such as the LED lighting at Spectrum (in the Action Suite, squash courts and competition pool).	
11.2	The final slide listed out the key investments for 2019/20. MP confirmed that the refurbishment and upkeep of Spectrum's front entrance ramp remains a challenge.	
12.0	Questions	

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12.1	<p>JS referred to page 20 of the Annual Report (customer feedback section) and asked what the reasons were for there being 164 more comments than last year (142 of which were complaints) and what Freedom Leisure are doing about this.</p> <p>MP confirmed that he wasn't exactly sure why this was. MP explained that the comments generated within the E Focus system are allocated to the department responsible who will then action and respond accordingly.</p> <p>JS noted that 'General Swimming' and 'Swimming Lessons' makes up around 50% of the feedback and would be interested to understand more detail in terms of what these comments related to.</p>	MP
12.2	<p>JS referred to page 10 of the Annual Report where it says that membership prices were increased in April 2019. JS asked what FL are doing to remain competitive going forward and retain those members.</p> <p>MP confirmed that this is a huge challenge for the leisure sector and that it is important to get the balance right between managing costs and driving revenue. FL will look to incentivise customers through discounted memberships/ deals and will continue to look at what their competitors are doing.</p>	
12.3	<p>JS would like to see the social media stats (as opposed to just the increases) as per page 15 of the Annual Report.</p> <p>MP thanked JS for his comments and is looking forward to working more closely with the Marketing Manager on this, particularly given how crucial social media is and how important it is to monitor it.</p>	MP
12.4	<p>JS asked what Freedom Leisure are doing to invest in the venue as they are looking tired. JS also asked what Freedom are doing to prepare the Lido for opening in April 2021.</p> <p>MP explained that while he managed the P&L for this contract, the financial decisions and conversations associated with investment are a FL executive board decision. MP recognises the need for investment in the facilities, particularly the Lido to ensure it is ready for the season. MP confirmed that there are two staff currently working on costing the reactivation plan. MP commented how challenging this time is financially and how the coming months will continue to be a challenge. JS confirmed that he'd like to have sight of the general strategic elements of the Lido's reactivation plan. MP confirmed that he is happy to provide this and that he is keen to work with the Council more closely in the future.</p>	MP
12.5	There were no further questions and the meeting closed.	