

Annual Report Presentation Meeting Minutes

Monday 23 August 2021 at 14:00

(Microsoft Teams Meeting)

Present;

From GBC:

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;

Ivan Horsfall Turner (IHT)
Matt Wickham (MW)
Emma Beavis (EB)

Ref:	ITEM	Action
1.0	Apologies for absence & introductions	
1.1	Apologies were received from Ian Doyle, Kevin Hopkins, Kara Anderson and Lee Thomas.	
1.2	Everyone introduced themselves.	
2.0	Presentation of the Annual Report by Ivan Horsfall Turner	
2.1	IHT began by confirming that the period of review covered 1 April 2020 to 31 March 2021. IHT explained that this was a very different year and therefore a different approach has been taken in terms of the presentation of Freedom Leisure's (FL) Annual Report in that an infographic report is being used for this presentation. The Annual Report has also been circulated. IHT confirmed he was happy to receive questions at any time throughout the presentation.	
2.2	IHT confirmed that Lee Thomas, who has been Area Manager throughout the period in question, is on annual leave but that he and Matt Wickham (MW) would provide the corporate background, with Emma Beavis (EB), who has very recently been appointed as General Manager at Spectrum (but has 20 years' experience of the facilities), can assist in answering any operational questions.	
2.3	IHT referred to the 10-year contract that is in place and how both he and MW have been involved in the contract since it began in November 2011.	
2.4	FL recognise the support from customers and partners throughout this difficult period. FL have 24 Local Authority partnerships and IHT commented how supportive Guildford Borough Council (GBC) have been. IHT touched upon the regular meetings that have taken place throughout the year and believes the Council's and Freedom's objectives have collectively been the same, which is to get through the year, and have the facilities completely ready and in the right state to deliver a service upon re-opening.	
2.5	The next slides set out the scale of FL (a not-for-profit leisure trust) in terms of no. of employees, leisure centres etc. IHT explained that the figure of 'over 3500 employees' has reduced as a result of the pandemic, but FL are busy gearing back up as demand and numbers increase as the facilities begin to bounce back.	

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2.6	<p>IHT then took the meeting through the timeline of 2020/21 which demonstrates how challenging the year has been. The facilities were only open for four months of the twelve, and the start of the period began with a lockdown from late March through to July.</p> <p>Many of the facilities re-opened on 1 August 2020 but sadly, another lockdown on 5 November meant more closures until re-opening on 2 December. This was short lived, as the local tier restrictions meant that the facilities had to shut again on 16 December, and this was followed by another lockdown imposed on 6 January.</p> <p>Many of the facilities that were allowed to re-open did so on 12 April, with some outdoor facilities opening earlier than this, such as the Guildford Lido which opened on 29 March after a significant closure.</p> <p>IHT then summarised the lockdown activities that took place during the period. FL were pleased to be able to support the food hub operation which operated out of Spectrum from 31 March through to 3 July. The venue played an important role during those early months of the first lockdown, particularly when it was very difficult to know where we were heading as a country and what the requirements would be. Staff were retained as a result, which also meant that other activities such as deep cleans, re-decoration and remedial works could take place to get the facility in a better state for when it was allowed to re-open.</p>	
2.7	<p>IHT then provided a summary of the finances for the period. IHT confirmed that customer receipts across the FL portfolio have been significantly impaired and that only 14% of the total customer income was taken; £11.1m against a budget of £84m.</p> <p>A similar performance was seen within the Guildford contract, this was offset by a number of mitigating actions, such as cancelling contracts, making use of the government furlough scheme, reducing the workforce, applying for government grants and NLRFF funding, and most importantly the financial support that has been given by Local Authority partners across the country. IHT confirmed that this has meant that FL did end up with a surplus on the Guildford contract, which has been carried forward in to 2021/22.</p> <p>IHT added that overall as a business, FL has been subjected to a £1m operating loss, and a cash loss of £1.5m. Although this has been a very tough year, FL has come through very strong as a business and IHT re-iterated his thanks to partners for their financial support.</p>	
2.8	<p>Attendance figures were then presented, which are a fraction of what would have been achieved during normal operation, with just under 240k visitors across the contract.</p> <p>IHT then touched upon the customer comments received during the period and noted that customer compliments, which usually follow a ratio of 1:4 (compliments to complaints), improved dramatically during this period. IHT confirmed that many customers were</p>	

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	<p>pleased to see the facilities re-opening and were complimentary of how safe the facilities were operated.</p> <p>GP commented that while it is great to see so many customers happy with the re-opening of the facility, there is lack of context in the presentation and within the annual report which makes it very difficult to understand what the customer feedback relates to and how this compares with previous years and therefore it's difficult to understand or get a clear picture of the feedback received. GP would like to know what the themes were in the feedback and what sort of things could be / were improved upon as a result of the feedback. GP referred to the ratio mentioned earlier, which appears to apply for the first month of opening but that it levels off in subsequent months.</p> <p>IHT stated that copy customer comments are sent to the client team regularly but that he would be happy to provide a summary narrative to the comments received. IHT confirmed that the compliments were fundamentally around re-opening. GP confirmed that he'd be grateful to receive this detail as the current data provided is very difficult to draw any conclusion or understanding from. GP would have liked to have seen this detail within the Annual Report.</p> <p>Likewise, GP confirmed that the visitor statistics lack context and so while it is known that this has been an unprecedented year, there is no comparison of visitor figures or narrative to accompany this.</p> <p>IHT confirmed that the 238k visitors for the year compares with around 2.5m visitors the venues see each year.</p>	IHT
2.9	<p>IHT then presented the figures for the Aquatics activities. IHT is mindful that these figures do not have context either but is happy to provide this if required. IHT explained that income was between 10 and 15% of what it normally would be, and throughput would have matched this. IHT was pleased to report that the Learn to Swim programme has had a very successful reactivation following a lot of hard work from the teams, with 2497 on the programme (as at July 2021). The scheme continues to grow and the Spectrum is taking full advantage of the pent-up demand.</p>	
2.10	<p>The next slide showed a number of snap-shot figures for other facilities within the building, such as no. of gym visits (4787), ice skating visits (18,115), group exercise visits (17,598) etc. IHT confirmed that the Annual Report contains more detail and context to these figures but this infographic demonstrates that despite the venues being closed for 8 of the 12 months, the throughput was strong and the facilities were well used when they were able to be open.</p>	
2.11	<p>IHT touched upon the staffing, who are absolutely key to a successful delivery of the service. IHT confirmed that staff are often positively reported upon by customers and a significant number of the customer compliments reflect what a great job the staff have done and continue to do. IHT added that FL have worked hard to</p>	

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	<p>ensure staff were kept on board and supported. This has been particularly important through reactivation and multiple lockdowns and re-opening. FL have kept in touch with staff via WhatsApp Groups, Newsletters etc. and staff on the whole have been very keen to get back to work and deliver a service they believe in.</p> <p>GP asked for information regarding the proportion of staff on furlough. IHT confirmed that these details are sent to the client team through the monthly reporting, and confirmed that the majority of staff were furloughed, with the exception of the staff who worked at the food hub and that staff were brought back in phases, according to which facilities could open and what each facility demanded in terms of resources. EB confirmed that the technicians also remained, and attended site 7 days per week to look after the building and undertake essential maintenance activities and monitoring/checks.</p> <p>GP asked FL what the staff morale was like during this difficult period and for when the staff returned to work. EB confirmed that staff were very keen to get back to work, and to meet their colleagues and customers as well as being excited to get back to exercise. There was no reluctance from staff about returning to work, however there was quite a juggle for some staff members who had to deal with childcare arrangements when schools were closed. It was recognised that it would be very difficult to come back to work after several months of not working and being away from work, however regular communication with staff was maintained and activities such as quizzes were undertaken to engage with staff and everyone came back really positively.</p>	
2.12	<p>IHT then presented the membership information slide, which shows the total members as of 31/03/21 and number of active card users. IHT explained that the reason for the 19.23% increase in active card users against the previous year is because the loyalty card scheme was a key tool to track attendances as a Covid safety measure.</p>	
2.13	<p>The marketing information slide was then presented. IHT commented how essential it was to keep customers engaged, involved and updated throughout.</p>	
2.14	<p>IHT then reported the growth since re-opening on 12 April; the Learn To Swim Programme, as touched upon earlier, has grown by 21% and Guildford is one of the leaders in terms of swim school programme performance.</p> <p>Fitness memberships at Spectrum and Ash are currently at 75% of their pre-covid memberships figures which IHT explained is broadly consistent with other FL sites and within the industry. Extra work is needed in terms of bringing these figures back up.</p> <p>GP asked for comparative figures so that these can be compared to with previous years. IHT agreed to provide these.</p> <p>IHT was pleased to report that casual swimming was 73% up and that Spectrum is on target to beating last year's performance. The</p>	IHT

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	Lido is also doing very well and is showing a good recovery, particularly during the current school holiday period. IHT iterated that the industry is still in recovery mode and that it is likely to take the rest of the financial year to get back to where FL was before March 2020 but that the figures were promising.	
3.0	Questions	
3.1	IHT welcomed further questions / comments. GP thanked FL for their presentation and for the useful infographics. GP would like to be provided with more information and context so that it can be understood how the facilities have performed, how this compares with previous years and also how this compares with what the leisure industry expected and with other leisure facilities. GP was surprised that the Annual Report lacked detail and reiterated his comments about the customer feedback summary overview as discussed earlier.	
3.2	There were no further questions and the meeting closed.	