



Report	East Lothian Council Audit and Governance Committee
Author	Bill Axon
Meeting Date	27 November 2018
Action	To note

Background

In October 2009, Enjoy East Lothian Limited (**Enjoy**) was established to manage, under contract, sports and leisure facilities and services on behalf of East Lothian Council (ELC). The current contract between **Enjoy** and ELC runs until 30 September 2021.

The facilities managed by **Enjoy** comprise six major sites -

- o Aubigny Sport Centre, Haddington.
- o Loch Centre, Tranent.
- o Musselburgh Sport Centre
- o North Berwick Sport Centre
- o Meadowmill Sport Centre, Tranent
- o Dunbar Leisure Pool, Dunbar

Enjoy also manages a variety of other sports facilities throughout East Lothian, which includes -

- o Grass Pitches and Pavilions
- o Synthetic Pitches (2G, 3G and water based)
- o Seasonal Facilities (putting, pitch and putt, bowling etc.)
- o Tennis Courts
- o Golf Courses (Musselburgh Old Course and Winterfield, Dunbar)
- o Athletics Track
- o Climbing Wall
- o Stables Pavilion (catering provision)

All of the facilities are owned by ELC with the exception of Dunbar Leisure Pool, which is wholly owned by **Enjoy**.

Enjoy is a company limited by guarantee, governed by its memorandum and articles of association and does not have a share capital. The company has charitable status under sections 466 to 493 Corporation Tax Act 2010 and its Scottish Charity Number is SC040527.

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Delivering services for East Lothian Council. **Enjoy** East Lothian Ltd, also known as 'Enjoy' and 'Enjoyleisure'. Scottish Registered Charity Number: SC040527



In order to secure charitable status, **Enjoy** must be entirely independent of ELC. Any perceived control exerted by ELC over **Enjoy's** business activities could threaten **Enjoy's** charitable status.

The provision of services by **Enjoy** to ELC is governed by a contract between the two organisations. The only influence ELC is able to exert over **Enjoy** is in terms of this contractual arrangement for the management of its sport facilities, for which ELC makes a contract payment.

All of the employees engaged in the provision of the services are wholly employed by **Enjoy**.

In terms of contract governance:

- There are four Directors appointed by ELC to the Board of **Enjoy** (all Elected Members).
- ELC has an appointed contract monitoring officer at Senior Level and there is a quarterly contract meeting chaired by ELC.
- Communication regarding service delivery between **Enjoy**, ELC and where necessary all local Elected Members is maintained at all times.
- Senior staff of ELC are also invited to attend Board Meetings as observers.

The Business Executive led by Bill Axon is responsible for the day-to-day management of **Enjoy's** affairs, and they are accountable to the Board of Directors.

The Non-Executive Board of Directors ensures that **Enjoy** conducts its affairs in accordance with its stated purpose. It sets the policies, strategies and objectives, and then preside over the Executive and his staff who are responsible for delivering them.

The Board is Chaired by Gordon Wales and consists of 4 Elected Members of ELC and a maximum of eight Community Representatives who, when appointed, are residents of East Lothian.

Business Context

Enjoy is committed to inspiring active living. It is our aim to enrich the physical and mental wellbeing of East Lothian's communities through the provision and development of a breath of activities and leisure opportunities for all ages and abilities to enjoy.

However, like other publically funded bodies we continue to be challenged by reduced funds available for public services. In order to fulfil our commitment to the people of East Lothian, **Enjoy** needs to make up for this shortfall through income generation. However, it needs to be recognised this can be significantly compromised by the inability to improve, maintain and refurbish Sport Centres to ensure they do not become old, tired and unattractive to visit.

As budgets become increasingly compressed the capacity to meet day-to-day maintenance demands and to achieve the desired facility developments is becoming increasingly difficult, taking account of the age of certain Sport Centres and Swimming Pools.

Whilst we may meet some of the above challenges by adopting a more commercial approach to the practice of managing Sport Centres, nonetheless, it would be unreasonable to believe sport and leisure centres can become self-sufficient in the future.



Over the period of time of business operation, **Enjoy** has been able to accommodate the yearly reduction in management fee by significantly increased participation and membership numbers, which has created a business environment for the company of growth including income. This has also been supplemented by management and board actions:

- reduce management and administration costs
- targeted price increases
- developing new business opportunities
- workforce management

With so many competing leisure activities within East Lothian, affordability is the key, and any significant increase in charges could be a deterrent to those suffering genuine financial hardship. This particular group remain a target group, for those we are trying to encourage increased physical activity.

East Lothian's housing provision is increasing dramatically; and all plans indicate it will do so for the next 5-10 years. Given that this provision includes a significant number of family dwellings, in certain areas it is likely that **Enjoy** will have an insufficient facility capacity to be able to respond to the increased demands on its services, which further compromises **Enjoy's** ability to increase income.

Enjoy and all our partners need to work together to look at alternative ways of increasing income. We need to develop expenditure opportunities to collectively invest in a sport and leisure infrastructure, which will get more people physically active. It is accepted by all related professional bodies that such an approach will support and help to tackle some of the major health issues facing our region, such as obesity, diabetes and heart disease etc.

Business Performance 2017/18

Since its creation in 2009, **Enjoy** has seen continuing growth in our income streams, despite reductions in the contract payment by ELC year on year.

Contract Payment from ELC

2010 / 11	2017 / 18
£2,787,612	£2,224,600

The above £2,224,600 contract payment equates to:

- 33.12% of **Enjoy's** total income
- 28.47% of **Enjoy's** total expenditure

This is a significant saving for the Council and Council Tax payers, however also provides a positive outcome of increased, accessibility, business activity and users.

Challenges

Enjoy has a very strong record of good financial management and historically has a good track record of managing within agreed budgets, however, the past year has regrettably not been without its challenges. In early 2018 financial reporting for the period 2017/2018 was identified as being inadequate. The anticipation of what was expected and required by the Executive and Board was not being met. A contributory factor was the



introduction of a new financial data collection and reporting system, however, not all issues were attributable to this piece of work.

The Executive supported by the Board intervened immediately and decisive action was taken to address identified shortfalls, including the appointment of a new Financial Controller in February.

As a result, noteworthy progress was achieved prior to year-end (31st March 2018). Since then significant corrective action has been attained, with additional work still remaining. It should be noted that all reported budget differences were met fully by **Enjoy**.

Additionally, the ongoing reductions in available funds for public services and how those existing funds are distributed and timing of budget decision making, creates a very challenging financial environment for **Enjoy** to operate within.

It is worth noting that the current approach of providing universal sport and leisure facilities within East Lothian to all major communities is commendable and is extremely valued by residents of East Lothian and has consistently been supported by this and previous administrations.

Business Developments

Despite reductions and financial challenges, **Enjoy** has continued to grow and enhance its public offering.

In the past year, significant developments were made with the creation of our Swimming Lesson Membership, "Get in the Swim". The scheme operates across each of **Enjoy's** Swimming Pools, offering children weekly swimming lessons, (scheduled across 48 weeks of the year) and unlimited free casual swimming for a monthly direct debit fee.

We have additionally be able to retain our Fitness Membership Scheme circa the 4900 mark. Direct Debit income now equates to 24.06% of our annual income and therefore is a prominent focus both in terms of development, retention and customer satisfaction.

Members

Membership figures at 1st November 2018 stand at the following:

1. Gym membership: **4,883**
2. Swimming Lesson Membership **1,975**
3. Golf Course Membership (two courses) **1,057**
4. Access to Leisure (low income scheme) **2,482**
5. Sports award scheme (free access to elite athletes approved by ELC) **231**
6. Leisure Pass Discount Card **205**

This gives **Enjoy** a total of **10,833** individual affiliates within East Lothian, which is in approximately **10%** of the population.

Visitor Numbers

Despite maintenance issues, resulting in temporary closures and a particularly harsh winter, we were able to achieve an overall increase in visitor numbers of 0.5% totally **1,367,731** visits across all of **Enjoy's** services.



Staffing Compliment

As of May 2018, **Enjoy** employed 369 members of staff, (226 female and 143 male).

- 173 Permanent Staff (97 female : 76 male)
- 196 Casual Staff (129 female : 67 male)

Headline Achievements

COUNCIL OBJECTIVE: INCLUSION / SOCIAL BENEFIT

Across East Lothian, **Enjoy** actively supports and encourages the participation of all ages and abilities within our sports facilities. Our focus is on providing active choices as well as developing and delivering opportunities for the communities at large to engage and participate in activities to improve their overall health and wellbeing.

As such, **Enjoy** keeps the social benefit for East Lothian at the forefront of its day-to-day decision making. Some of these benefits can be challenging to directly quantify; however examples of specific initiatives that are in place include:

- Operation of fully disabled access facilities and a range of activities for people with disabilities
- Delivering the Access to Leisure Scheme for eligible customers which allows reduced rates including use of facilities at certain times for an enhanced reduced rate
- Offering female only swim sessions
- Availability of low impact classes / activities for users with limited or restricted movement
- Offering discounted rates for Community Clubs
- Free Swims throughout the Summer Holidays (**note** – withdrawn 2018/2019)
- Commitment to providing Employability Placements & Vocational Volunteer opportunities within our communities.
- Developing closer links between NHS treatment in the local community including provision for people suffering with dementia
- Introduction of Autism Friendly Soft Play Sessions at Wiggles, Tranent
- Provision of a safe, comfortable environment within our café areas for people to meet

Disabled Access

Enjoy actively encourage participation by all ages and abilities. Disabled friendly and accessible activities provided by **Enjoy** and local clubs offers customers access to athletics, badminton, archery, bowling, multi-sports, fitness classes, swimming lessons (for both infants and children) and a dedicated swimming club which has members that compete at a national level.

Via the Access to Leisure Scheme, qualifying East Lothian applicants are able to enjoy significantly discounted rates to make use of the facilities, making physical activity both accessible and affordable.

Furthermore we offer support to casual customers visiting our facilities for the first time, through links with specialist websites www.disabledgo.com and www.euansguide.com which provide detailed descriptions of the access and facilities available within our Sports Centres.

Administering the Access to Leisure Scheme

Throughout 2017/18 the Access to Leisure scheme, which **Enjoy** administers on behalf of ELC, provided entry to **Enjoy's** facilities for **£1** per activity between the hours of 9:30am – 4:30pm Monday - Friday and discounted entry at all other times.

Applications for the last 3 years are as follows:

Applications to date	2015-16	2016-17	2017-18
Total	2548	2488	2727

The Access to Leisure Scheme continues to be a popular and a well-utilised pathway for disadvantaged individuals and families across East Lothian to access sport and leisure activities.

2017-18 saw an increase in applications from the year before, up 10%. People with disabilities and those in receipt of universal credit accounted for 25% of all applications, with child dependents (for all categories) accounted for 29% of applications.


Access to Leisure Admissions

		2015-16	2016-17	2017-18
Access to Leisure		49,638	48,191	40,698
Single Admissions	Bodyworks Gym	9,805	9,328	10,011
	Free Weights Room	891	811	787
	Swimming	14,847	13,946	12,512
	Health Suite	3,838	3,634	2,847
	Racket Sports	2,742	2,168	1,699
	Crèche	1,457	1,400	1,183
	NB Trampolines	649	631	745
Classes	ASN Activities	823	582	799
	Fitness Classes	6,302	6,622	5,415
Booked Activities	Gymnastics	2,239	2,140	2,038
	Climbing Wall	20	44	61
	Swimming Lessons	5,721	6,597	1,788
	Summer Activities	304	288	190

NB: The above decline in Swimming Lesson uptake is not a true reflection of the whole period due to the introduction of the 'Get in the Swim' lesson membership scheme in September 2017. The swimming lesson figures above for 2016-17 include 4 blocks of swimming lessons, whereas the 2017-18 figures only include 1 block (April – June 2017).



Availability of Low Impact Fitness Classes

Being able to provide a pathway and foundation for participation is an important aspect of **Enjoy's** pledge to "inspire active living". As such, as of April 2018 **Enjoy's** fitness class offering included 75 introductory 'Low Impact' classes - 24% of the classes on offer. Highlighted with a  symbol, these classes are suitable for individuals looking to make a return to exercise, without putting too much stress on joints. These classes have also attracted a significant corner of the 'senior' market and are incredibly well attended.

These classes include: Aqua Circuits | AquaFit | Ballet Stretches | BodyBalance | Fitness for All
Funky Fitness | Fitness Fun | Fitness Pilates | Functional Fitness | Music & Movement | Pilates
Seats & Beats | Stretch & Strength | Tai Chi Chuan | Swimming | Yoga | Zumba Gold.

Discounted Rates for Community Clubs/Groups

Throughout **Enjoy's** history, we have worked in collaboration with the Sports Clubs and organisations and (since their creation) the East Lothian Sports Hubs, to deliver our commitment to provide community access to East Lothian's Sporting Facilities.

A key focus of maintaining these relationships is being able to offer the clubs and groups, fit for purpose, well maintained and importantly affordable facilities and on occasion's free use. This not only ensures the club's long-term viability, but further enhances our commitment to deliver more specialised coaching and development activities for the benefit of the community.

Free Swims

During 2017, **Enjoy** continued to support an initiative to award Free Child Swim sessions to under 18s throughout the 6 week summer holiday period. (**Please note**, this provision was withdrawn for 2018).

Total Free Swim Attendances

	2013	2014	2015	2016	2017
Aubigny Sports Centre	3,675	3,035	3,679	7,733	4,809
Dunbar Leisure Pool	15,625	15,252	14,628	13,003	14,151
Loch Centre	1,587	2,161	1,583	1,842	1,963
Musselburgh Sports Centre	4,711	5,375	3,820	4,054	4,286
North Berwick S C	2,478	1,882	1,642	2,099	1,914
Grand Total	28,076	27,705	25,352	28,731	27,123

Modern Apprenticeships & Vocational Volunteer Opportunities

Enjoy continues to develop our partnership links with Direct Partners and East Lothian Works to offer work placements and volunteering opportunities across the organisation.

We have maintained and enhanced our relationship with Direct Partnerships, through their offering of Modern Apprenticeship opportunities. Through these links, we have been able to upskill members of staff from across the organisation through workplace Modern Apprenticeships in Facility Operations, Business and Administration and Digital Marketing courses.

Through our relationship with East Lothian Works we have 11 long-standing vocational volunteers, who work alongside leisure and café staff within our main sites. These individuals subsequently benefit from an invaluable social engagement opportunity in a workplace environment.

These partnerships allow **Enjoy** to provide training, development and volunteering opportunities; therefore providing a meaningful contribution to employment within East Lothian.

Autism Friendly Soft Play Sessions

With the appreciation that children of all ages and ability can benefit from active play, the team at Loch Centre identified an opportunity to make their multi-level soft play area more accessible to children with autism. First introduced in November 2017, Wiggles Soft Play now offer Autism Friendly Play Sessions on a monthly basis which incorporate additional sensory play equipment and chill out den. With reduced numbers these sessions offer a relaxed inclusive environment for families to meet up and socialise.

To enhance our delivery of these sessions, members of staff at the Loch Centre attended an Understanding Autism Training session in December 2017.

COUNCIL OBJECTIVE: HEALTH & WELLBEING

Sports Centre Visitor Numbers

Enjoy's services and facilities are at the core of East Lothian's major neighbourhoods and we continue to create significant opportunities for everyone within our community to engage actively and energetically, which makes a positive contribution to unlocking the potential of both individuals and our communities.

Total visitor numbers, including school use, clubs, spectators, event use and café visitors in 2017-18 totalled **1,367,731** across all Sports Centres, Pitches, Seasonal Facilities and both Golf Courses.

When comparing 'transactional customers' – those customers who physically interact with reception (listed below) **Enjoy** saw an increase of 0.5%, (4,636).

	2015-16	2016-17	2017-18
3G Synthetic Pitch	5,434	2,756	3,354
ASN Activities - Dry	9,068	9,841	9,931
Athletics	399	219	347
Birthday Party Activities	10,672	12,617	13,665
Bodyworks Gym	111,702	119,580	117,992
Climbing Wall Activities	1,793	3,840	3,924
Crèche Activities	4,733	4,528	3,265
Dry Coached Activities	1,613	1,204	908
FASIC	237	273	236
Fitness Classes	127,568	146,721	153,966
Free Weights Room	14,941	12,740	11,904
Golf Visits	38,419	48,055	51,497
Grass Pitch & Pavilion	14,192	14,103	12,487
Gymnastics	25,167	23,883	24,985
Hall Events	1,007	1,413	1,643
Hall Hire	13,964	11,261	10,756
Health Suite	23,748	24,455	19,344
NB Trampolines	12,494	12,167	10,888
NPLQ Courses	65	176	146
Racket Sports	40,308	39,324	34,136

	2015-16	2016-17	2017-18
Room Hire	15,065	12,935	13,310
Seasonal Facilities	17,291	13,829	15,377
Soft Play	23,572	17,421	15,528
Summer Activities	3,030	2,888	1,797
Swimming	250,677	262,278	258,087
Swimming Lessons	58,386	66,887	75,909
Synthetic Pitch	3,466	2,744	3,274
Grand Total	829,011	868,138	868,656
			0.5%

It is worthy to note, that during March 2018, East Lothian experienced heavy snow fall which resulted in closures at the golf courses and 3 days where the Sports Centres significantly reduced their opening hours. The weather had a noticeable impact on visitor numbers, as the public at large were advised to only travel when necessary, reducing the number of casual leisure customers.

Gymnastics Programme Expansion

From April 2017 to March 2018 the **Enjoy's** gymnastics and trampolining programme saw a number of significant developments alongside a continued successful programme. An additional day of activity was added at Aubigny Sports Centre by the implementation of four pre-school gymnastics classes on a Tuesday. The gymnastics classes on a Thursday at Loch Centre, were expanded to include a P1 beginner class and an advanced class, which has doubled the gymnastics provision at the centre.

Loch Centre also saw an investment in equipment with the purchase of Freestanding Asymmetric Bars costing £4000 which has expanded the opportunities for gymnasts at the centre, as well as bringing Loch Centre in line with other centres with larger programmes.

Three successful events were also ran within **Enjoy's** facilities, which saw 771 gymnasts participate in the gymnastics competition, trampolining competition and the showcase event during 2017/18. These events included gymnasts from the **Enjoy** programme as well as other local programmes and clubs.

Enjoy also expanded gymnastics offering out into the community through its support to the Early Years Gymnastics programme. This involved delivering a number of Gym Monkeys / Gymnastics inspired sessions within 3 schools over an 18 weeks period. In total 195 pupils between nursery – P2 age were involved, which aimed to develop their fundamental skills and introduce them to gymnastics within their curriculum PE.

Membership Schemes

Swimming Lessons Membership Scheme

The focus for **Enjoy** last year was the development and subsequent launch of our and learn to swim initiative with associated membership scheme "Get in the Swim". The membership package provided members with a rolling weekly group swimming lesson, scheduled against 48 weeks of the year (with a guarantee of receiving 45 lessons) and unlimited casual free swims across each of East Lothian's pools. The monthly fee, paid by direct debit is £17.50, with a 50% discount (£8.75) for Access to Leisure customers. In addition each member received a membership card and bag upon sign up to the scheme.

Programme Launch

Between April 2017 and September 2017, **Enjoy** delivered an extensive marketing campaign to communicate the changes in the lesson structure to existing swimming members and publicise our new Get in the Swim membership to potential customers. This involved roadshow events led by the Marketing & Swimming Development Team, where attendance over a 3 week period at each centre ensured that customers had the opportunity to come and talk to a member of staff about any queries they may have had about the new programme. Further onsite promotion through exterior window graphics, dedicated noticeboards, floor vinyl's and pull up panels ensured a highly visible presence throughout all of **Enjoy's** Swimming Pools. In addition a new "Get in the Swim" brochure was designed to contain all the necessary information for customers, ensuring they had sufficient details on the changes.

At the end of the last 'block' of lessons, April-June 2017, there were approx. 1800 children within the lesson programme. By the first week on the new programme, which launched on 2nd September 2017, we had 1957 members enrolled in the scheme with occupancy at 85%. By March 2018, we had 2041 members (85% occupancy) and an enquiry list operating, as the demand for spaces was unexpectedly high.

To celebrate the launch of the programme, we were delighted to welcome Silver Commonwealth Medal winner and Scottish Swimming Learn to Swim Ambassador Duncan Scott to North Berwick Sports Centre. "Creating a Big Splash", Duncan along with pupils from Law Primary, representatives from North Berwick Swimming Club and East Lothian's elite Swim Team were treated to demonstrative and interactive lessons with Duncan as well as some fun and inquisitive Q&A sessions.



Swim Teacher Development

In order to deliver this new programme, we expanded our staffing complement adding two full-time temporary Swim Coordinators in May 2017, to form the Swimming Development Team led by the Swimming Development Officer. The Coordinators have set centres allocated to aid in the running and development of the programme within that centre. They are crucial to the smooth delivery of the programme by being a point of contact for customers and teachers.

Due to the expansion of the programme, we have since upskilled staff to ensure we are fulfilling the quality aspect of the lessons. Since April 2017, we have put over 35 members of staff through their UKCC Level 1 Teaching Aquatics qualification and over 25 staff members through the UKCC Level 2 Teaching Aquatics qualification. We have also trained 10 members of staff to delivery our Early Years programme. We have implemented a CPD training schedule to ensure all teachers receive ongoing training. We have also supported the Swimming Development Officer through the tutor qualification, allowing for courses to be run locally and based on the needs of the county.

Programme Expansion

Since April 2017, we have also expanded our ASN, adult and 1:1 lesson programmes, enhancing our service offering to allow further opportunities for everyone to access swimming.



Our ASN pathway was acknowledged by Scottish Swimming as good practice; specifically highlighting the way we link with our local partners to offer varying opportunities for people with different needs. We were asked to speak at the Scottish Swimming conference November 2017, to provide other Local Authorities and Trusts detail on the pathway we have built in East Lothian.

Our latest initiative is to provide specific lessons for older children (8+) that have not yet learnt to swim.

Recognition

In September 2018, **Enjoy** was selected as a finalist for the Scottish Swimming ‘Learn to Swim Provider of the Year’. The nomination covered areas such as: organisation of the Learn to Swim programme, creating a comprehensive and inclusive pathway, communication with the community and partners, promotion of opportunities and development opportunities for staff. Although, ultimately unsuccessful at the final hurdle, to have identified as one of three finalist across Scotland was an achievement in itself.

To Date

We currently have 2104 members enrolled into the programme (October 2018) with an occupancy of 84%. Over the past month, we have been working closely with Scottish Swimming, our local clubs, performance team and community partners to produce an Aquatics Strategy for East Lothian. We are one of 5 areas in Scotland to initiate this process and the strategy will cover the period between 2019 – 2022.

Fitness Memberships

Enjoy’s Fitness Membership Scheme offers adults (aged 16+) the opportunity to access the Bodyworks Gyms, Free Weights facilities, Swimming Pools, Health Suites and 300+ Fitness Classes across each of East Lothian’s 7 Sports Centres for a monthly direct debit fee.

Since its redevelopment in 2012, the Membership Scheme has continued to be a major source of income for the organisation, and a focus of our service delivery.

Monthly direct debit income from membership payments across 2017-18 on average was £134,651 compared to £29,461 on April 2012.

The total number of Fitness direct debit paying members:

	April 2012	April 2017	April 2018
Fitness Memberships	1,289	4,880	4,931

The above graph above indicates a levelling-off of the membership base circa the 4,900 mark.

A number of the Sports Centres are approaching, if not exceeding (in the case of Aubigny Sports Centre) their membership base capacity. In such circumstances, to dramatically increase membership figures further could be a detriment to the business as members become unable to gain access to the facilities.



With a focus on retention, we concentrate on delivering an engaging, balanced variety of fitness classes, maintaining the quality of gym equipment and delivering ample opportunities for swim sessions across our facilities.

This has at times been challenging, especially when faced with unforeseen maintenance closures, in particular that of the Health Suites at Musselburgh and North Berwick.

Fitness Classes

Fitness classes continue to be the biggest draw for fitness membership applications. It is therefore not surprising to see that 88% of fitness class attendees (an increase of 2% from last year) come from our membership base.

Keep Fit Classes	2017-18	%
Access to Leisure	5,415	4%
Casual Customers	10,817	7%
Discounted Customers	531	0%
Leisure Pass	1,840	1%
Membership Inclusive	135,363	88%
Grand Total	153,966	100%

The fitness class programme is reviewed quarterly. At these points we revise the class timetable, introducing new classes in response to fitness trends and customer interest and popularity. At all times, we strive for a balance between cardio, endurance, low impact and strength and conditioning classes to appeal to as large a customer base as possible.

Total Number of classes	April 2012	April 2013	April 2014	April 2015	April 2016	April 2017	April 2018
	158	229	261	288	303	309	317

Online Booking

The online booking portal launched in September 2016 and has proven to be invaluable to the organisation ever since. In the first month alone 7850 online transactions (both bookings and cancellations) were carried out online, 47% of the total transactions that month. A year later in September 2017 there were 11,829 online transactions equating to 70% of all fitness class transactions for the month.

Two years on, and its popularity continues with the online booking portal handling 12,495 fitness class transactions in September 2018 (76% of all fitness class bookings & cancellations for the month).

	Sep 16	Sept 17	Sept 18
Online Booking Transactions	7,850	11,829	12,495
As % of all Booking Transactions	47%	70%	76%



Going forward, we intend to explore further utilisation of the online booking system, to see what other class and course / casual bookings can be made available for customers to book online.

Service Level Agreements with ELC

These are reviewed annually, with agreement being reached to continue a partnership with ELC payroll and IT. These are viewed by all concerned as being positive arrangements at present; however the overriding factor for future arrangements will be the continuance of meeting **Enjoy's** future business needs.

In-house Human Resource Function

An agreement was made with ELC to withdraw from the HR Service Level Agreement with effect from 1st April 2018. This will allow **Enjoy** to begin implementing an HR strategy that can support business goals making our business more efficient through the planned use of human resources. This will include our ability to target improved performance management; provide direct guidance with regards employment legislation; training and development of staff for growth; employee engagement; support any future change programme and develop a reward scheme relevant for our business.

In January 2018, **Enjoy** appointed a dedicated HR Business Manager, to lead the business forward in all HR matters. Between January – April a handover was completed with the ELC HR team. To assist in the delivery of the HR function, one of our existing Senior Business Support Assistants took on the permanent role of HR Assistant 19 hours per week, with effect from 1st April 2018 to better reflect the duties and responsibilities she was undertaking.

Health and Safety

The health and safety of our customers and our employees is always at the forefront of our priorities in the delivery of our services.

Each year, we review our Health & Safety Policy, which is submitted to the Board for approval. A summarised version of the report is issued to all employees, and a dedicated A5 brochure is included within our induction welcome pack to ensure that all staff are fully aware of their roles and responsibilities when it comes to Health and Safety.

In the last year, we carried out the following additional activities:

- Senior staff (Senior Managers and Service Managers) attended Head of Establishment training in March 2018 organised by ELC. This informed attendees what their roles, responsibilities and actions should be as Head of Establishment and the various systems already in place to allow them to carry out responsibilities efficiently.
- In April Aubigny Sports Centre staged a mock chemical spill within the plant room in order to allow the Scottish Fire Service to run through various drills and training procedures. The event, albeit causing some public interest due to the heightened activity around the centre proved to be an invaluable experience for both **Enjoy** staff involved and the attending fire fighters.
- Continuing our commitment to delivering our services to the highest industry standards, we invested in the renewal of Pool Extraction Boards in all of our swimming pools.
- As part of our annual Leisure Watch Training programme, 62 member of staff attended our training sessions at Meadowmill Sports Centre in August 2017.



Water Safety Event

As part of our Aquatic Strategy **Enjoy** delivered a Water Safety event held at Dunbar Leisure Pool, which was attended by 140 P5 children from Dunbar Primary School.

Being a coastal county, the importance of water safety cannot be understated and with our partnership links with Scottish Swimming and the local RNLI we delivered this specialised event in June 2018.

The workshop incorporated a walk around the harbour, where children identified potential hazards to realise the dangers associated with being around open water. This was followed with a series of lifesaving demonstrations including how to perform basic CPR, place someone into the recovery position and a discussion around cold-water shock syndrome.

The session was really positive and received great feedback from the teachers and pupils involved in the event.

NPLQ Courses

Enjoy has maintained the Institute of Qualified Lifeguard Approved Training Centre Status, which allows our professionally trained staff to maintain their qualifications through in-house training. It also allows **Enjoy** to offer National Pool Lifeguard Qualifications to the general public and through this the opportunity to explore additional income streams.

Between April 2017 – March 2018 we offered 4 x NPLQ courses to the public which resulted in 38 people (89% occupancy) attending the course. These courses generated £8474 worth of income for the business.

In addition we delivered a dedicated NPLQ training course for 5 members of Dunbar Amateur Swimming Club, thus enabling them to maintain their qualifications to self-lifeguard their training sessions at the facility.

The delivery of external NPLQ training courses now feature as a vital element of our continuing recruitment process, and frequently result in attendees going on to become relief and on occasion temporary and permanent members of staff.

Community Economic Investment

Loch Centre Dry-Side Changing Refurbishment

Towards to end of the financial year, **Enjoy** alongside ELC embarked on a 12 week refurbishment of the 'dry side' changing facilities at the Loch Centre in Tranent. The work commenced on Monday 26th February and included:

- Reconfiguration of the layout of the changing room area in order to install a brand new accessible changing, shower and toilet facility (wet room); a provision not previously available on the ground floor of the building.
- Complete refurbishment of the 'dry-side' male and female changing rooms, including new flooring, shower facilities, toilets & hand basins, benched changing areas and new lockers.
- Replacement of an overhead water tank, which was housed above the existing staff-room. The old (excessively large) water tank was replaced with a newer smaller, more efficient water tank.

During the refurbishment one of the dance studios was taken out of commission to provide both a work space for the contractors and essential access to the overhead water tank. Throughout the duration of the works, we were



able to accommodate the majority of the existing classes in other areas of the building, albeit at reduced numbers.

Sustainable East Lothian

Enjoy is a key economic driver within East Lothian, not only as a major employer, but also in attracting events and investment to underpin new activities for the benefit of targeted groups.

We also contribute in making East Lothian a destination of choice to live, visit and work.

We are committed to working with our partners ELC to ensure environmental sustainability through investment when modernising the estate. This is entrenched in management decision making and the administration of the existing estate and in all planned refurbishments.

Financial Performance

An annual audit of **Enjoy** was undertaken by an external auditor (Scott-Moncrieff), which reported an unqualified audit opinion. Extracts from latest audited accounts are shown below.

Group Statement of Financial Activity For the year ended 31 March 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Year to 31 March 2018 £	Year to 31 March 2017 £
Incoming and endowments from:					
<i>Donations and legacies</i>					
Voluntary income	4	25,053	-	25,053	34,179
<i>Charitable activities</i>					
Membership fees		1,759,385	-	1,759,385	1,784,550
Services		2,099,913	-	2,099,913	1,921,511
Management service fee	5	2,224,600	-	2,224,600	2,319,600
<i>Other trading activities</i>					
Trading subsidiary		600,242	-	600,242	586,918
<i>Investments</i>					
Investment income	6	6,930	-	6,930	-
Total		6,716,123	-	6,716,123	6,646,758
Expenditure on:					
<i>Charitable activities</i>					
Membership services	8	(7,012,490)	-	(7,012,490)	(6,348,530)
<i>Other</i>					
Trading Subsidiary	22	(699,282)	-	(699,282)	(638,159)
Net interest defined benefit scheme	11	(101,000)	-	(101,000)	(35,000)
Total		(7,812,772)	-	(7,812,722)	(7,021,689)
Net gains/(losses) on investments		-	-	-	-
Net income/(expenditure)		(1,096,649)	-	(1,096,649)	(374,931)
Transfer between funds		-	-	-	-
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets		-	-	-	(17,949)
Actuarial gains/(losses) on defined benefit pension schemes	11	940,000	-	940,000	(2,179,000)
Other gains/(losses)		-	-	-	-
Net movement in funds		(156,649)	-	(156,649)	(2,571,880)
Reconciliation of funds:					
Total funds brought forward		4,069,983	15,855	4,085,838	6,657,718
Fund balances carried forward		3,913,334	15,855	3,929,189	4,085,838



Group and Charity Balance Sheet
As at 31 March 2018

	Notes	Group		Charity	
		2018 £	2017 £	2018 £	2017 £
Fixed Assets					
Tangible fixed assets	12	6,470,901	6,784,163	6,470,901	6,784,163
Current assets					
Stock		70,822	51,556	53,329	38,573
Debtors	13	181,158	200,825	336,946	346,675
Cash at bank and in hand		1,204,800	1,289,612	1,029,427	1,100,145
		<u>1,456,780</u>	<u>1,541,993</u>	<u>1,419,702</u>	<u>1,485,393</u>
Creditors: Amounts falling due within one year	14	<u>(752,492)</u>	<u>(879,318)</u>	<u>(675,715)</u>	<u>(822,719)</u>
Net current assets		<u>704,288</u>	<u>662,675</u>	<u>743,987</u>	<u>662,674</u>
Total assets less current liabilities excluding retirement benefit scheme		<u>7,175,189</u>	<u>7,446,838</u>	<u>7,214,888</u>	<u>7,446,837</u>
Retirement benefit scheme (deficit)/asset	11	<u>(3,246,000)</u>	<u>(3,361,000)</u>	<u>(3,246,000)</u>	<u>(3,361,000)</u>
Net assets including retirement benefit scheme asset/(deficit)		<u>3,929,189</u>	<u>4,085,838</u>	<u>3,968,888</u>	<u>4,085,837</u>
Funds					
Unrestricted funds	17	4,231,048	4,352,894	4,270,747	4,352,893
Unrestricted- Revaluation Reserve		2,928,286	3,078,089	2,928,286	3,078,089
Unrestricted- Pension Reserve		(3,246,000)	(3,361,000)	(3,246,000)	(3,361,000)
Restricted funds		15,855	15,855	15,855	15,855
		<u>3,929,189</u>	<u>4,085,838</u>	<u>3,968,888</u>	<u>4,085,837</u>
Total funds		<u>3,929,189</u>	<u>4,085,838</u>	<u>3,968,888</u>	<u>4,085,837</u>

Recommendations

That the Committee notes the information contained within this report.