



Report	East Lothian Council Audit and Governance Committee Report
Author	<b>enjoy</b> leisure
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## EXECUTIVE SUMMARY

This report sets out the financial and operational performance of **enjoy**leisure (**enjoy**) since March 2020, the challenges that **enjoy** has faced and continues to fight as the pandemic continues, as well as the successes that **enjoy** has achieved through this period.

The biggest challenges **enjoy** is facing on an ongoing basis include:

- Maintaining reserves whilst receiving reduced income and achieving cost savings while prices rise.
- Improving and increasing membership and occupancy throughout centres to return to pre-COVID usage and income levels.
- Keeping up with the demand for facilities, swimming lessons and gymnastics in East Lothian, especially as the population grows within the county.
- Difficulties in recruitment of staff influenced by suppressed labour markets, demands on rates of pay, lack of qualification courses running through the pandemic and subsequent lack of available candidates.

However we have made great strides through the last 2 years, including success in

- **enjoy** has been a real leader in children's sports development programs, including delivering presentations to other Leisure Trusts on the return of our hugely well subscribed swimming lesson program, launching a gymnastics membership program and our Sports Development Manager winning the Outstanding Employee Achievement Award at the 2020 Community Leisure UK Awards.
- **enjoy** is extremely proud to have avoided redundancies since the pandemic began, especially when compared to other Trusts who have been less fortunate.
- Income and usage has returned at levels consistently higher than expected in comparison to other Trusts, extending the lifespan of our reserves.
- Improved and sustained partnership with ELC, including regular meetings between **enjoy** and ELC staff have kept both parties up to date and abreast of the situation throughout the pandemic.
- A restructure of the Senior Management of **enjoy** has enabled operational and strategic transformations to be brought to the forefront of the organisation, and the SMT is excited for the journey ahead.

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## BACKGROUND

In October 2009, Enjoy East Lothian Limited (**enjoy**leisure or **enjoy**) was established to manage, under contract, sports and leisure facilities and services on behalf of East Lothian Council (ELC). The facilities managed by **enjoy** comprise six major sites in Haddington, Tranent, Musselburgh, North Berwick, Prestonpans and Dunbar; as well as a number of sports facilities throughout East Lothian. All of the facilities are held on ELC's property portfolio with the exception of Dunbar Leisure Pool, which is wholly owned by **enjoy**.

The primary objective of **enjoy**leisure, as East Lothian's charitable health, well-being and leisure trust, is to improve lives by inspiring active living. It is our mission to enrich the physical and mental wellbeing of our communities, by putting people at the heart of everything we do:

- We provide opportunities for people of all ages to **enjoy** recreational facilities in East Lothian, with the objective of improving their conditions of life.
- We develop and create our own recreational coached activity programmes to create development pathways for both competitive and non-competitive athletes.
- We contribute to advancing the wellbeing of the inhabitants of and visitors to East Lothian through our wide ranging fitness class activity programme, Bodyworks Gyms, and Swimming Pool programmes.
- We provide local residents on low income or disability benefits the opportunity to engage in physical activity at concessionary rates.
- We provide a Macmillan Move More programme for the benefit of individuals living with and beyond cancer in East Lothian to engage in gentle exercise and movement classes, providing physical, social, emotional, and mental wellbeing support for those who need it.
- We have strong links with local schools providing access for both public and private educational facilities, so children of all ages and abilities are able to engage in sporting activities.
- We provide sports halls, dance studios, pitches, and pavilions for local sports clubs and community organisations to host their training sessions, competitions, matches, dance rehearsals, theatre productions, and community meetings.

## The COVID Experience

The past 2 years have been like no other in **enjoy**'s history, with COVID shaping the business beyond anything we expected. The expectation for 2020/21 was a year of improvement – a breakeven financial performance was budgeted, with the planned implementation of efficiency savings and the development of income generation initiatives. Organisational improvements and restructures were also underway, in order to maximise business potential. However, the pandemic meant that many of these plans were delayed as we focused instead on crisis response and later on recovery.

Since March 2020, the majority of **enjoy**'s services & facilities have faced multiple closures, and when facilities were open they were restricted in both activities and capacities.



20 March 2020	All centres and facilities close under Scottish Government instruction
21 March 2020	95% of colleagues furloughed under the Job Retention Scheme
29 May 2020	Musselburgh Old Links and Winterfield Golf Course reopen
29 July 2020	Grass & synthetic pitch use for youth sports permitted
24 August 2020	3 week re-introduction training programme commenced for all colleagues returning to sports centres
14 September 2020	Sports centres reopened providing: <ul style="list-style-type: none"> <li>• Public Gym Sessions • Public Swimming Sessions • Group Fitness Classes</li> <li>• Swimming Lessons • Racket Sports • Club Sessions • Club Athletics</li> </ul>
28 September 2020	Gymnastics coached sessions returned
9 October 2020	Scottish Government Tier System implemented, East Lothian placed into Tier 3 requiring the suspension of adult group contact sports indoors or outdoors, and of indoor fitness classes
13 October 2020	<b>enjoy</b> launched a suite of online fitness classes via zoom
2 November 2020	School use of facilities restarted
2 November 2020	Cafes at Dunbar Leisure Pool and Aubigny Sports Centre open on a take-away trial basis
24 November 2020	East Lothian placed into Tier 2 – indoor fitness classes resumed
28 November 2020	Cafes closed due to low demand
20 December 2020	East Lothian placed into Tier 3 – indoor fitness classes suspended
24 December 2020	Sports centres closed in line with new Scottish Government lockdown restrictions, golf courses remain open
12 March 2021	Limited youth and adult outdoor non-contact sports resumed
5 April 2021	Further youth outdoor sports resumed
19 April 2021	1 week of re-introduction training commenced for all colleagues returning to sports centres
26 April 2021	East Lothian placed into Tier 3 and sports centres reopen, no indoor fitness classes run
17 May 2021	East Lothian placed into Tier 2 – indoor fitness classes resumed
19 July 2021	East Lothian placed into Tier 1 – physical distancing reduced to 1m, capacities in centres increase slightly in line with this
24 July 2021	Dunbar Leisure Pool Café re-opens
9 August 2021	Removal of all capacity and distancing restrictions in centres
30 August 2021	All sessions at centres removed, health suites recommissioned
1 October 2021	Aubigny and Musselburgh Sports Centres Cafes re-open

95% of colleagues were furloughed from 21 March 2020, with a small number of essential staff being retained for strategic crisis response, to manage mothballed facilities, and to maintain head office functions. We utilised the Job Retention Scheme (JRS) for those colleagues that were furloughed, which enabled us to meet the cost of our staff and protect the long term viability of jobs. The scheme has been invaluable to **enjoy**. These 285 furloughed colleagues were regularly updated via our employee communication tool, Planday, with guidance, updates, and the sharing of links, videos, and newsletters from our Employee Assistance Programme provider. **enjoy** arranged regular Skype calls with the Senior Management Team, Service Managers, and colleagues, giving the opportunity for updates and Q&A sessions.

A large amount of work and preparation was put into ensuring the sports centres were ready to open safely on 14 September 2020. PPE was ordered for staff, including two fabric face masks per



employee; floors were marked with one way systems, signs, and boxes for socially distanced exercise; gyms were spaced out with some equipment being stored; and changing rooms were partially closed off. Full transparent screens were installed at reception desks, and in the head office space between desks. Centres were all deep cleaned and PPE was provided for customers including hand sanitising stations and wipes for gym equipment. Videos and information on new safety features were sent out to all customers to demonstrate the changes made within the facilities and to show customers how to safely use **enjoy's** facilities upon reopening.

Capacities at all centres were reduced to circa 60% of the maximum to ensure social distancing was maintained, with the capacity in pools further reduced to 30% as every other changing room was kept closed for social distancing and cleaning requirements. Swimming lessons ran at the same capacity as pre-COVID; however the duration of the session was reduced by 5 minutes, lessons were taught from poolside rather than in the water, and start times were staggered to reduce congestion in the changing rooms.

Bookable sessions were introduced for gyms and pools, in order to comply with track and trace requirements, to control capacities, and to ensure that activities were spaced regularly during the day to allow for adequate cleaning and disinfecting between sessions. **enjoy** responded and adapted to customer feedback to the sessions, for example extending Performance Gym sessions at Meadowmill Sports Centre to 90 minutes or introducing 8 – 11 year old pool sessions to create more spaces for children to swim.

The introduction of the COVID Tier system in Scotland in October 2020 and East Lothian subsequently being placed into Tier 3 meant the suspension of in person fitness classes. Committed to continuing to deliver services to our customers, **enjoy** introduced an online fitness class programme delivered via meeting platform Zoom. Initially these classes were delivered via a virtual fitness studio at the Loch Centre in Tranent and then further expanded to a second studio in Dunbar. During the closure of centres from January to April 2021, our fitness coaches went above and beyond and offered to virtually open up their homes to deliver Zoom classes from home. These proved to be incredibly popular with customers, and encouraged many to retain their memberships so they could remain active at home. **enjoy** have created a dedicated Zoom timetable going forward, knowing that there may be customers who will be resistant to returning to Sports Centres for some time. The Zoom classes offer an opportunity for these customers to keep active and engage in physical activity from the comfort of their own home.

A 3 week program of return to work training was undertaken with colleagues in September 2020 including presentations on the changes made to facilities and activities to reopen safely, COVID procedures, reception re-familiarisation, and swimming and gymnastics lessons. NPLQ training was undertaken with all Leisure Assistants to ensure competency. A further week of re-induction training with all staff was undertaken prior to the return in April 2021.

During months when the sports centres were closed, customer's monthly direct debits were reduced automatically to £1 to cover administration fees. Customers were able to opt in to pay a higher donation amount, which was gratefully received from an average of 4% of our membership base. This essentially doubled our membership income each month during closure. We offered a discounted month's membership in December 2020 to recognise that our offering of services and activities was reduced.



Memberships fell during the year by 28% from March 2020 to October 2020, when Sports Centres first reopened, and 36% from March 2020 to March 2021. This was not unexpected and there were three significant dip points: the month after **enjoy** facilities closed in April 2020; the month the direct debits restarted in October 2020; and January 2021 when we went into a second lockdown.

### Visitor Statistics

In 2019/20, total customer visits, including club usage of pitches and school usage of facilities, were over 1.2 million. This number was drastically reduced in 2020/21, with the majority of facilities only open for 3.5 months of the year.

However, there were still impressive visitor numbers at some facilities in the year, with golf in particular performing so well since reopening in May 2020 that visitor numbers were higher than the prior year. Customer numbers in sports centres during the quarter October to December 2020 (excluding school and club use) were only 50% lower than the same quarter in 2019/20, despite the hugely reduced capacity in buildings. This performance speaks highly to our loyal customer base and the incredible preparations undertaken by colleagues made in making the buildings feel safe for customers' return.

	2019/20	2020/21	Variance
<b>Total Visitor Numbers</b>	1,200,000	173,000	-86%
<b>Sports Centres Customers</b>	702,342	80,849	-88%
<b>Golf Courses</b>	51,316	60,794	+19%

### Finance

The financial results for 20/21 clearly show the impact of COVID on **enjoy**. The audit was completed in August 2021, and unqualified accounts have been produced and submitted. The statutory accounts show a net negative movement in funds for the group for the year ended 31 March 2021 of £1,585,368. This is comprised of:

- a core operating deficit of £447,091
- a fixed asset revaluation gain on Dunbar Leisure Pool of £1,172,723
- an adjustment for the defined benefit pension scheme being an actuarial loss of £2,311,000

The core operating loss of £447k (2020: £262k) includes a loss of £18k for the trading subsidiary and £429k for the charity. The operational deficit of £447k includes £396k loss of income funding from ELC and £1.78m income from the Job Retention Scheme. Our forecasting during the pandemic predicted a deficit of between £1.2m and £900k as we moved through various lockdowns and reopening scenarios. A deficit of £447k, given that we were closed for well over two thirds of the year, represents an impressive result for **enjoy** and we are extremely grateful for the support of our partners at ELC and the work put in by all staff to achieve cost savings and maximise income.

Total group income in 20/21 was £5.1m (down from £6.4m in 19/20). **enjoy** therefore incurred a loss of income in 20/21 of £1.3m due to COVID (the loss of 'normal' income is £3.5m, excluding receipts from the JRS and loss of income funding).



Total group operating expenditure in 20/21 was £5.5m (down from £6.7m in 19/20). **enjoy** made cost savings of £1.2m during the year compared to 19/20 in order to provide protection from the loss of income, mainly in reduced utility and direct costs.

**enjoy** had a healthy reserves position at the start of the pandemic, with a cash balance of £1m at 1 April 2020. This enabled us to weather the challenge of closures, restricted centre capacities, reductions in our membership base, and the ongoing challenge of recovery. However, we made a loss of £30k each month that we were closed, and £100k each month that we were open with near full costs but reduced income generation opportunities. The cash position at the end of 20/21 was £1.1m which represents an increase of £112k on the 2020 position; this reflects the receipt of the first tranche of 20/21 loss of income funding received at the end of the financial year.

In March and April 2021, we received two tranches of monetary support from the Government's 2020/21 Loss of Income Scheme, via our partners at East Lothian Council. We received a total of £396k related to 2020/21 loss of income. We have met regularly with partners at ELC throughout the crisis, and are grateful for the strong relationship and the financial assistance received which has supported us in continuing as a going concern.

## Looking to the Future

**enjoy's** facilities reopened for the second time on 26 April 2021 with various restrictions in place until 31 August 2021, when centres fully opened for the first time in 18 months. Recovery has been a slow process as we safely reopened facilities and restarted activities in line with Government and Sporting Governing Body guidance. The recovery of our membership and income base will be a slower process as **enjoy**, along with all other Leisure Trusts, works to retain and grow membership.

Despite the challenges of the pandemic for **enjoy**, we have used the periods of closure to make valuable strides for the business and had several successes over the last year.

### Operations

The reopening in April 2021 went smoothly, and the operations team have coped brilliantly with moving through the various levels of restrictions until the 31<sup>st</sup> August 2021 when **enjoy** reopened all facilities fully. This was a huge piece of work with the creation of new programs and staff rotas, fully restarting the training of swimming coaches and lifeguarding qualifications, and continuing to manage facilities at varying stages of mothballing. Coupled with the staff recruitment and sickness issues we are facing (detailed in the next section), it has been a challenging period for the business and for the Operations team in particular.

Some COVID related measures will remain in place: we will continue to use cleaning fogger machines at regular intervals in centres, customers and clubs will set up some of their own equipment, screens will remain at reception and café areas, and swim lesson formats will be retained to maximise capacity and safety. There are still some areas that are not yet fully open: the climbing wall in Tranent, one pavilion remains mothballed (Aberlady Pavilion) and while 3 of 5 cafes have reopened, they are running with limited hours.

Sports Development programs have been hugely successful, with the launch of **enjoy** gymnastics in late 2020 (then delayed to May 2021 after the lockdown) and the continued success of the



swimming program. The swimming program remains incredibly popular with waiting list times and occupancy levels high.

### *Success Stories*

- Karen Ferguson, our Sports Development Manager, was awarded the Outstanding Employee Achievement Award at the 2020 Community Leisure UK Awards. Karen was nominated by **enjoy** for her commitment, dedication, and professionalism in developing our award winning Learn to Swim programme, 'Get in the Swim', which has had a hugely positive impact on the communities of East Lothian.
- **enjoy** has been a real leader in the return of swimming post pandemic. We were one of the first trusts to bring back the Learn to Swim programme following the COVID closures, with an impressive return rate of 89%. The Sport Development Manager delivered a presentation at the Scottish Swimming National Framework virtual networking day, which provided an overview of our planning and resumption of the programme. This was well received, as many trusts still had to initiate the return of their swimming programme. Head of Operations, Ian Sills, also sat on the Scottish Swimming national working group developing protocols to return swimmers back to pools.
- **enjoy** continues to play a vital role in the Government's programme of COVID-19 testing, with mobile testing units located in our car parks at Dunbar Leisure Pool and Loch Centre. **enjoy** receives a daily rental for this use.
- **enjoy** successfully hosted voting stations for the Scottish Parliament elections at Aubigny Sports Centre, Loch Centre and North Berwick Sport Centre, and the counting hub at Meadowmill SC.
- A hugely successful opening of seasonal facilities at the East and West Putting Greens in North Berwick and the Bowling Green at Fisherrow, including the introduction of accessible golf at East Links and solar powered payment methods at the Links.
- Launch of the Gymnastics membership scheme, with over 700 members.
- Launch of Home Portal online system for customers to see the progress of their children in swimming and gymnastics lessons.

### *Ongoing Challenges*

- The risk of the vaccination passport scheme being required for Leisure and Sports Facilities as this will be a huge operational challenge.
- Improving and increasing occupancy throughout centres to return to pre-COVID usage levels.
- Improving the customer experience through critical analysis of service delivery, including managing customer expectations post-COVID.
- Ensuring a consistent approach to operational delivery including such things as bookings management and Management and Supervisory responsibilities.
- Consideration of the expansion of provision of sports and leisure facilities in East Lothian in partnership with the Council.
- Reducing our carbon footprint in order to meet partner and customer expectations and to save costs.
- Keeping up with the demand for swimming lessons and gymnastics in East Lothian, especially as the population grows within the county.
- Recruitment and selection of Tennis/Badminton Development Officer.



- Developing recreational programmes for Athletics and Tennis/Badminton.

### Staff

Through 2021 colleagues have moved from full furlough during periods of closure to flexible furlough during periods of restricted activity. All colleagues have now been fully unfurloughed following the closure of the JRS scheme on 30 September 2021. The scheme has been a lifeline for **enjoy**, enabling us to retain our staff complement through the periods of closure and retain jobs for the foreseeable future. Overall since the inception of the scheme in March 2020, **enjoy** has claimed £2,053,917 all of which has been paid onto staff. The cost to **enjoy** of furloughing staff has been considerably higher than claimed, with pension contributions claims capped at 3% then excluded from claims but still paid for **enjoy** staff, as well as during the later months of the scheme when the claim percentage was lowered to 60% but staff were paid 80%.

We have experienced staff turnover as furlough ended which has left **enjoy** with a number of vacant positions and we are currently experiencing the same recruitment issues as most other companies in the country, which has only exacerbated the problem. COVID related absence including self-isolation rules coupled with a tight staff complement has meant extraordinary difficulties keeping facilities open over the last few months, however we have managed to progress with very few closures thanks to the efforts of our staff.

We will also be impacted by the increases in the National Living Wage and National Insurance next year, with an anticipated increase of at least £100k in staff costs.

However we continue to invest in staff, with the introduction of performance reviews, funded and flexible options for lifeguarding qualifications, staff newsletters, and long service awards. Training for colleagues continues to be undertaken at all levels, including leadership training for managers across the organisation.

### Success Stories

- **enjoy** is extremely proud to have avoided redundancies since the pandemic began, especially when compared to other Trusts who have been less fortunate.
- Introducing funded National Pool Lifeguard Qualification (NPLQ) places for young people in East Lothian where they come from disadvantaged households.
- Introduction of a performance review system for all colleagues that provides an opportunity for line managers to feedback on performance, identify future development opportunities and support in succession planning.
- Capitalising on the Government launched Kickstart scheme and identifying 7 apprentice placements throughout **enjoy** for young people who will benefit from employability skills experience.
- Improvements in all question areas of the colleague engagement survey conducted in December 20/January 21.

### Ongoing Challenges

- Recruitment of staff continues to be a challenge influenced by suppressed labour markets, demands on rates of pay, lack of qualification courses running through the pandemic and subsequent lack of available candidates.



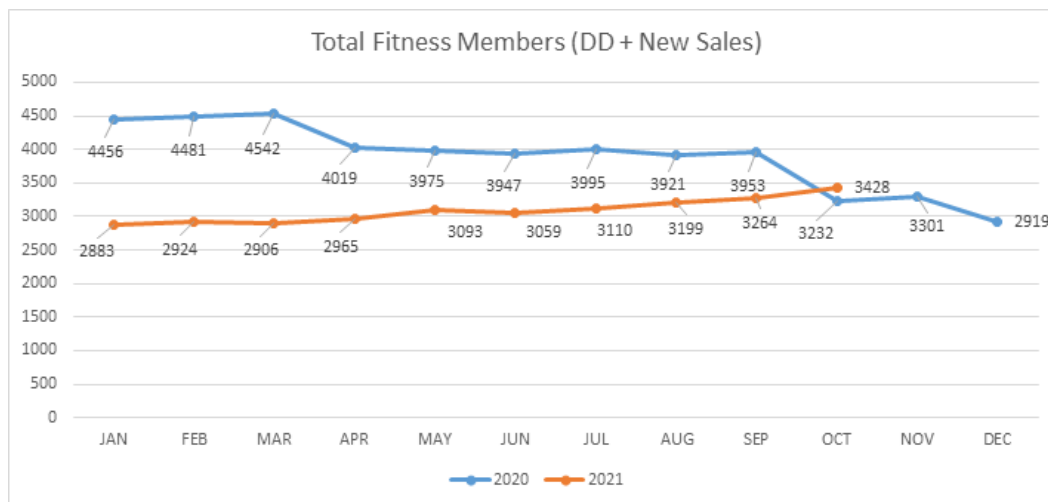


- Understanding the impact and mitigating the impact of the increases in national living wage and the degradation of the differentials between pay grades for different job roles.
- Current Government COVID rules on self-isolation requirements.

### Memberships & Customer Return

Community Leisure UK (CLUK), the body for leisure trusts in the UK, recently found the return rate of customers to leisure across the UK varies from 60% to 80% of pre-COVID levels. **enjoy's** membership levels are currently at 75%, putting us near the top of the range, a great success story proving the loyalty of our customers. At our lowest point in January 2021 we had lost 37% of our membership base. CLUK has also found that income levels across Trusts are starting to plateau rather than continue to recover to pre-COVID levels, and Trusts across the country have struggled with retention of members. We are currently experiencing this, although we have seen an influx of new sales in the last quarter to cover the cancellation of existing members. We anticipate as we move into winter that the remaining 25% of recovery of our membership base will slowly but steadily return.

Memberships are a major focus for **enjoy** moving forward, but also a major risk. 1% of our pre-COVID fitness membership income equates to £16k per annum, so every member we do not retain or recover is a cost to **enjoy**.



Customer return levels elsewhere have been partially driven by restrictions in centres, with income from our non-member activities doubling in September 2021 once restrictions had been lifted. We anticipate that this income will also recover in line with membership, a slow but steady process. We do not anticipate returning to 100% of our pre-COVID income levels before 2024.

### Success Stories

- Compared to other Leisure Trusts in the UK, we have retained or recovered a high amount of our membership base. We were ahead of the average retention in the midst of the first lockdown, and continue to be grateful for our loyal customer base.
- A considerable effort was made through lockdown to connect with our members via direct email to keep customers engaged and retain memberships, an effort we are pleased to have seen pay dividends.



- Membership campaigns and Business Development activities since we reopened in 2021 have been successful in rebuilding our membership base but also in increasing our brand awareness and relationships with organisations throughout the Lothians.
- A brand new website was launched in April 2021 in line with the reopening of the Sports Centres, with a modern and user-friendly format that is mobile device responsive.
- Swimming and Gymnastics membership has grown steadily and shown impressive retention and return rates.

### *Ongoing Challenges*

- Increased competition from private gyms in Edinburgh and East Lothian, especially those with cheaper prices and newer facilities
- Ensuring that prices and charges are increased enough to cover rising costs and wages without aggravating existing customers and still being able to attract new customers.
- Recovering the full usage and membership base and increasing beyond the previous income figures, based on actual demographic information.
- Increasing usage of at home fitness due to changes in customer behaviours through the pandemic and the gradual return to work reducing local usage.

### *Finance*

The next few years will be difficult and we anticipate deficit results. We expect that the loss of income in 2021/22 will be circa £900k due to closures in the first quarter, restricted numbers throughout the year, and a gradual customer return to Sports and Leisure facilities. There has been no reduction in the management fee from East Lothian Council in 2021/22, which **enjoy** greatly appreciates as a support in our recovery from COVID.

Our latest budget, approved by **enjoy's** Board in August 2021, forecasts a deficit of £807k for 21/22 and £309k for 22/23. We anticipate receiving circa £5.5m in income in 21/22, and spending £6.3m on costs.

This level of deficit reduces our cash balances to circa £300k by March 2022 and £140k by March 2023. **enjoy's** reserves policy is to hold a minimum of 3 months payroll costs – currently £1m – with an absolute minimum of 1 month of payroll costs of circa £330k. The deficits anticipated over the next 2 years bring us well below this line.

While we are taking steps to mitigate this, through diversifying our income streams, increasing business development activities, and investigating and implementing opportunities to cut costs, this will not recover the £1.2m of income we anticipate to lose this financial year and makes it clear that recovery will be a long term process for **enjoy**.

We have currently received no government support other than the loss of income monies received through East Lothian Council and furlough wage recuperation through the JRS. ELC provided a letter of comfort as part of the audit process for both 19/20 and 20/21 providing assurance that should it be required **enjoy's** everyday cash liabilities will be met for the 12 months to August 2022.

### *Success Stories*

- Thanks to strong cash management prior to the pandemic, a healthy reserves position has enabled **enjoy** to weather much of the period of closure.



- Income has returned at levels consistently higher than expected in comparison to other trusts, extending the lifespan of our reserves.
- Improved and sustained partnership with ELC, including regular meetings between **enjoy** and ELC finance staff have kept both parties up to date and abreast of the situation throughout the pandemic.
- Systems across the company have been upgraded to stabilise increased usage of the online platforms and these upgrades continue into 2022 to secure cost savings.

#### *Ongoing Challenges*

- Price increases have been received for several products including pool chemicals and CO2, paper products IT software. We have investigated alternative products where possible and are reviewing procurement of these items.
- Achieving budgeted levels of income and cost savings, in order to reduce deficits and preserve cash reserves.

#### *The Organisation*

Following a turnaround strategy review, it was proposed to reduce and restructure the Senior Management Team to form a more effective and diverse team. The new structure involved reducing the number of Senior Managers from 5 to 4, with the removal of 3 Senior Contract Officer posts and the subsequent creation of 1 Head of Operations and Transformation post and 1 Head of Business Development post to report into the Chief Executive alongside the Financial Controller and HR Business Manager. This restructure was implemented by January 2021 and is paying dividends for the organisation.

The Head of Operations and Transformation role is enabling a consistent approach to Operations to be cascaded down throughout the business and the opportunity to take a strategic approach to the transformation of services.

The Head of Business Development role has been crucial in adding a new dimension to **enjoy** in exploring fresh business and funding opportunities, with over £100k of funding from grants already received in 2021 and several exciting income diversification opportunities underway including personal trainers and corporate memberships and relationship building.

We strongly believe that this restructure has been an exciting opportunity for **enjoy** to progress and nurture the business, especially in a time of recovery. The restructure will result in a future saving for **enjoy** of £50k per annum before including any income, efficiencies, or opportunities generated by the expertise of the new posts and the cohesion of the leadership team.

We have also seen a highly efficient and engaged Board of Directors emerge over the last couple of years, from the Emergency Board that met regularly through the initial closure to the excellent attendance we saw once full Board meetings resumed. The enthusiasm and stewardship has been and will continue to be invaluable as we moved through the COVID crisis and on into recovery.

Partnership with ELC has only improved through the pandemic with regular, open dialogue being maintained from both partners and a shared commitment to returning the communities of East Lothian to sport and wellbeing. We would like to thank ELC for their support through this period, and while recovery will be a long and challenging road, we will continue to work together to ensure that East Lothian can continue to **enjoy** leading active, healthy lifestyles.

