



Report	East Lothian Council Audit and Governance Committee Report
Author	<b>Bill Axon, Chief Executive</b>
Date	26 <sup>th</sup> March 2024

## EXECUTIVE SUMMARY

This report sets out the financial and operational performance of **enjoy** since March 2022, the challenges that **enjoy** faces in light of the cost of living and energy crises, and the successes that **enjoy** has achieved through this period.

The biggest challenges **enjoy** faces on an ongoing basis include:

- Meeting the financial pressures involved in wage increases via both National Minimum Wage and Real Living Wage;
- Continue to rebuild reserves whilst receiving plateaued income and achieving cost savings while prices and wages continue to rise;
- Planning for the impact of utility price rises in the coming years;
- 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;
- Keeping up with the demand for swimming and gymnastics lessons in East Lothian, especially as the population grows within the county and given a shortage of qualified teachers.
- Managing the impact (including financial) of building closures both long-term and medium term, due to reactive, planned and non-planned facility maintenance, restorations and renovations.
- The ongoing impact of a massive loss of income due to lockdown, with no financial support being provided by either national governments.

However, **enjoy** has made great strides through the last 3 years since COVID hit, including success in:

- Negotiated a 10 year extension to our funding agreement with East Lothian Council, which will ensure continuity of existing service provision and affordable leisure activities for local communities. The current/new arrangement delivers significant ongoing financial benefits for the Council and allows Enjoy to strengthen its position within the sector.
- **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 have returned at levels consistently higher than expected in comparison to other Trusts, extending the lifespan of our reserves.
- All facilities have remained open, with colleagues going above and beyond to cover staff shortages.

Bill Axon, Chief Executive  
0131 653 5202  
[baxon@enjoyleisure.com](mailto:baxon@enjoyleisure.com)

[www.enjoyleisure.com](http://www.enjoyleisure.com)

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



- 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.
- Negotiated a two year pay-deal with Trade Unions, which avoided threatened industrial action being taken.

## 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.

## April 2022 to March 2023

Responding to the last few years has been a constant challenge for **enjoy** in adjusting to new restrictions, implementing and then reducing COVID safety measures. Coaches taught fitness classes via zoom from their homes during closures, and Direct Debit membership fees were reduced to £1 during months the facilities were closed. Memberships fell by 36%, a substantial drop in **enjoy**'s regular income and subsequently recovered to almost 100% of pre-COVID numbers.



East Lothian Council have continued to support **enjoy** via a standstill contract fee for 2022/23, but this is set against the backdrop of pay increases for staff in 2022/23, economic CPI inflation that peaked at 9.8% in October 2022 and increasing energy costs.

The closure of the Loch Centre swimming pool has restricted income generation and resulted in migration of many swimming activity to other centres. The re-opening plan remains subject to significant public interest and will involve an overall repair package for the whole centre amounting to £4.5m. **enjoy** also had to manage an international shortage in pool chemicals during 2022/23.

Positive partnerships with East Lothian Council, the NHS and McMillan continue to be developed and improved for the wider wellbeing of East Lothian's residents and visitors. The GP Referral scheme pilot commenced in August 2022 in Dunbar, with discussions ongoing to extend throughout the County after the massive success.

### Visitor Statistics

In 2019/20 (not shown in below table), 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. In 21/22, with the majority of facilities closed in April 2021 and restricted capacities for half of the year, the annual visitor numbers recovered to 63% of the pre-COVID levels.

Visitor numbers have recovered to 78% of the pre-COVID level experienced in 2019/20, but have continued to see an upward trend in the absolute numbers visiting our facilities.

Whilst the Golf reductions appear at odds with the rises in the indoor facilities, the figure of 48,900 in 2022/23 is comparable to that in 2019/20 of 51,316. During the peak COVID years, outdoor activities were less restricted than those indoors, and as such the fall in numbers is a reflection of a return to previous trends.

	2020/21	2021/22	2022/23
<b>Total Visitor Numbers</b>	173,000	750,000	933,500
<b>Sports Centres Customers</b>	80,849	512,799	765,600
<b>Golf Courses</b>	60,794	68,117	48,900

### Finance

The financial year 2022/23 provided for a small overall surplus across the group of £30,914. This amount was split between a core operating (charity) surplus of £92,022, offset by a trading loss of £61,108. The audit was completed between July and September 2023 and unqualified accounts have been produced and submitted.

The statutory accounts show a net positive movement in funds for the group for the year ended 31 March 2023 of £4,359,914. This is comprised of:

- a core operating surplus of £30,914; and
- an adjustment for the defined benefit pension scheme, being an actuarial gain of £4,329,000



The core operating surplus of £31k (2022: £36k loss) includes a loss of £62k for the trading subsidiary and a surplus of £92k for the charity.

Total group income in 22/23 was £6.75m (up £0.68m from £6.07m in 21/22). This has put us in a good position compared to pre-COVID income levels, which were circa £6.4m.

Total group operating expenditure in 22/23 was £6.72m (up £0.61m from £6.11m in 20/21). This level of costs is equivalent to those 19/20, pre-COVID. Budgeted costs for 2023/24 are higher than 22/23 due to rising prices, utilities and staff wages via pay increases.

A freeze on the East Lothian Council management fee, whilst welcomed as not being a reduction, does represent a real-terms 'cash cut' due to the levels of inflation in the wider economy. These factors are predominantly due to change in economical conditions post-COVID as well as the start of the Russia-Ukraine conflict that started in early 2022. The same inflationary pressures also explain the financial pressures faced in buying our supplies, services and energy requirements.

**enjoy** continues to rebuild its reserves well - at the end of March 2022, reserves were £818k, and in March 2023 they were up to £1.1m. This represents a very good position on **enjoy's** minimum reserves target, which is £1.2m.

## Overview

### Operations

#### **Calcium Hypochlorite**

Enjoy, like all other pool operators around the country, experienced significant supply problems in 2022 for the supply of our main pool chemical – Calcium Hypochlorite especially in its briquette form. With our ELC Property colleagues we installed a second chemical dosing system in each pool plant room which allowed us to use the chemical in a granular form. This allowed us to purchase either configuration depending upon available supply. We were also in a position to support FES at Mercat Gait who suffered supply shortages. This global supply issue has now largely been overcome. We have retained both dosing systems in pool plant rooms so that we can weather any future supply issues more effectively.

#### **Vacancies**

Vacancies remain one of the main challenges to continuity of service delivery. Leisure Assistant, Café Assistant and Gymnastics Coach positions are proving particularly difficult to appoint.

The Athletics DO position was advertised but no suitable applications received. Following a review of this position and the unfilled position of Tennis DO we have appointed a Sport Development Officer who will carry out SO work in these two sports as well as the development of general recreational sports programmes. This is a joint funded position with ELC who have added support for county school events and disability sports development to the SDO Job outline.

We have introduced a new position of Swimming Teacher to help cover swimming lesson shifts and have employed Fast Track Leisure Assistants and swimming Teachers as a way of helping to fill vacancies. We have also hosted several National Pool Lifeguard Qualification (NPLQ) and Scottish Swimming Teacher Qualification (SSTQ) courses throughout the year to ensure we have a ready



supply of newly qualified applicants. We have upskilled one of our Swimming Development Officers to allow her to be able to deliver the SSTQ course in house.

Staff shortages have made covering shifts including swimming and gymnastics classes very challenging and we have had to consolidate our programmes accordingly.

### **Loch Centre – Pool Closure**

To allow ELC to carry out essential maintenance and inspection works the Loch Centre closed from Monday -23<sup>rd</sup> Jan – Sunday 6<sup>th</sup> Feb 2023 inc. The whole building was closed for the first week with the main hall, soft play, dance studios and Bodyworks areas opening back up the second week.

Following this work it was discovered that a large section of the sprayed pool hall ceiling insulation was detached and was being held by the security net installed a number of years ago. Whilst the net was doing what it was designed to do, it was deemed prudent to extend the pool and health suite closure for an extended period to allow for further inspection works and a comprehensive Condition Survey and Optional Appraisal to be undertaken. The pool remains closed at this point.

The remainder of the building continues to operate as normal.

Operationally this has required the redeployment of staff and the movement of the swimming pool programme to other sites. The swimming lesson programme has been moved along with staff to Musselburgh Sports Centre. Other staff have been moved to Meadowmill and Aubigny Sports Centres. Resident swimming clubs, Tranent ASC and ELST have both been given pool time at Musselburgh and Aubigny Sports Centres. We await ELC confirmation of the next steps. In the mean time staff have been redeployed and/or vacancies not filled. The swimming lesson programme continues to be delivered through Musselburgh Sports Centre and the swimming club training at other pools. The swimming pool tank has been emptied by the ELC specialist contractor Barr and Wray.

### **Loch Centre – Soft Play**

In late 2023 the floor of the soft play room became unstable. The soft play sits on what are now covered, floor level trampoline pits. The timber covering of these voids has sustained water damage over a number of years and gave way resulting in a significant hazard. As soon as this failure was identified the soft play was closed to the public and ELC informed. The voids have now been filled permanently, the soft play rebuilt and re-opened in Jan 2024.

### **North Berwick Sports Centre – RAAC**

Following advice/warning from the Scottish Government about Reinforced Autoclaved Aerated Concrete (RAAC) also known as Siporex, ELC undertook an assessment of their Public Buildings. This material was commonly used in Public Buildings between the 1960's and late 1980's. Due to the relative lightweight nature of the material and limited durability there have been a number of significant roof failures in the past. This material was used as roof planks but was also used in wall and floor construction.



ELC identified this material at North Berwick Sports Centre in the form of roof planks. Their Consultant Structural Engineer assessed this and prepared a report. Whilst the roof structure is of concern there is no immediate danger to the public or staff.

As a precaution and in preparation for future remedial works, the gallery on the first floor of the dry side of NBSC was configured to encourage those accessing the Dance Studio to do so along a narrower corridor keeping them away from the area which will be worked on. Acrows have been installed at strategic positions to help support the ceiling. There are now no restrictions to access on the first floor. The squash courts and trampoline room remain closed as does the gents dryside showers.

### **EcoLabs**

Through our procurement provider Pelican we have introduced new cleaning products and a new way of dispensing the chemicals. This was introduced initially at Musselburgh Sports Centre as a trial. This has proved successful and is now being rolled out to all others Sports Centres over the beginning of 2024. We will consider the larger pavilion sites in the next phase. This will allow us to reduce the number of products we use, reduce the amount of packaging, as the products are concentrated, and reduce the amount of chemicals being used as the products are dispensed automatically to pre-determined levels. We also anticipate a reduction in how much we spend on cleaning chemicals.

### **Meadowmill Sports Centre – Preston Lodge High School**

Preston Lodge High School are suffering similar problems as North Berwick Sports Centre with the RAAC concrete panels. Consequently, they approached enjoy to host all Physical Education classes at Meadowmill Sports Centre. The school have exclusive use of the outside changing rooms and main hall and shared use of the meeting room, athletics arena, water based synthetic pitch and grass pitches during school academic day. A number of after school clubs have also been accommodated. enjoy worked with ELC colleagues to plan for this transfer which commenced after the school summer holiday 2023 and is expected to continue until Easter 2024. We had to re locate a number of Meadowmill's daytime bookings to other sites and reschedule/move our hall based exercise classes programme to the meeting room. The PE department are based in the ELC Sport Development office in the Sports Centre. Additional staff resource has been put in place to allow access from 8.00am and to deal with the transition from school use to public use at 3.30/12.30pm.

### **Wallyford Learning Campus**

Enjoy have been asked by East Lothian Council to consider options to manage the 2 synthetic pitches and the indoor sports facilities of the campus for community use from 6.00pm – 10.00pm Monday – Friday 12.30 – 5.00pm Saturday and 9.30am – 5.00pm Sunday. We have provided a detailed plan, with costings of how this project work will be undertaken over the next 8/9 months, which to support ELC was done on a cost recovery only approach, however, this policy will be reviewed following initial successful operations. Jen Swan, Service Manager at the Loch Centre has been seconded to carry out this project management work. Jen's position at Loch Centre has been back filled with the temporary promotion of an Assistant Service Manager from Dunbar Leisure Pool. Jen commenced working on this project at the beginning of 2024 with the 2 and 3g pitches opened for use mid-January 2024. We have worked with colleagues in East Lothian Council to provide a detailed equipment specification for the large Bodyworks gym that will service both school pupils as well as members of the public.



### **Pilmar Smith Pavilion – North Berwick**

This facility is in its final stages of snagging. There remain just a few issues that require to be resolved before we are satisfied it is fully fit for purpose. There has been some use of the football pitch by local clubs but limited use of the pavilion, outside toilet and store room only.

### **Aubigny Sports Centre – Bodyworks and Dance Studio Extension.**

We have worked with colleagues in ELC to design and spec. this extension. A planning application was lodged by ELC on the 16<sup>th</sup> August 2023. A tender document was issued in late 2023 with submissions to them by the start of February 2024.

### **Pickleball**

This is a new, exciting and very popular sport played on a Badminton court. We have introduced Pickleball in all sport centres as a casual 'pay as you play' as well as an organised session which is free to Fitness Members.

### **Throws cage for the Athletics Arena**

Following wind damage to the throws cage over the winter of 2021/22 Audrey Murray, Head of Business Development with assistance from Juliet Gold Sport Development Manager secured external funding for its replacement. The cage was manufacturing and shipped from Australia. Groundworks for the repair and removal of the damaged cage commenced in June 2023. The new cage was installed in September 2023. The installation of this world class throwing cage will revolutionise Athletics in East Lothian and will bring many customers from across Edinburgh and the Lothian's to use the facility.

### **Pool pod**

Audrey Murray, Head of Business Development, successfully attracted funding for a Pool Pod at North Berwick Sports Centre. A pool pod is a self-service pool lift which will allow users to enter and exit the pool by themselves. This has allowed us to encourage more people to use the pool facilities in North Berwick.

### **Winterfield Golf Course**

Winterfield Golf Club approached East Lothian Council with an expression of interest for the Asset Transfer of management responsibilities for all operations of Winterfield Golf Course. East Lothian Council produced and presented to the Club, a detailed paper, including financial information of all income and expenditure. The Club were asked to respond to the paper by Christmas 2023. Enjoy manage the Professional function of the Golf Course on behalf of East Lothian Council.

### *Success Stories*

- Installation of the Pool Pod at NBSC.
- Replacement of throws cage at MMSC
- Introduction of Pickleball at all sites
- Accommodation of Preston Lodger School at MMSC
- Management of closures at LC and NBSC
- Opening of Pilmar Smith Pavilion
- Opening of the 2 and 3 g pitches at Wallyford Learning Campus



### *Ongoing Challenges*

- Filling vacancies in particular Leisure Assistant and Swimming Teachers, Café Assistants (NBSC) and Gymnastics Coaches
- Upskilling Leisure Assistants to cover Assistant Service Manager shifts.
- Improving staff standards and conduct to ensure a professional and consistent service to our customers
- 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 ELC.
- Keeping up with the demand for swimming lessons and gymnastics in East Lothian, especially as the population grows within the county and staffing continues to be a challenge.
- Developing recreational programmes for people with disabilities, athletics, tennis and badminton and other sports.
- Working to improve the service we receive from CoursePro which is part of our PoS/booking system.
- Management of Health and Safety.

### *People*

We were pleased to be able to introduce a new HR operating system during 2023. iTrent is an HR system widely used by organisations, particularly Leisure Trusts, and is a significant step forward for us in our ability to manage HR & payroll process and support our colleagues. Historically our processes have been manual supported by payroll processing conducted on our behalf by East Lothian Council, however with a further 10-year contract and steps forward in HR development, it was critical we had a system that was automated and provided colleagues with increased autonomy.

Our aim was to continue supporting colleagues to develop their careers with Enjoy and was a key focus for us throughout 23/24. We launched our Leadership Development Programme during 2023 and had 9 colleagues attend from different locations and position across our centres. With the support of Edinburgh College and the Institute of Leadership (IoL) we delivered a programme of leadership training that helped build skills for the future growth of colleagues and support succession.

We had a successful partnership with Napier University where we engaged with HR Management students to research, benchmark and create a report on the most effective way to advertise our vacancies. The collaboration was part of their final year studies and a chosen piece of project work. This is the first time we have been involved and have agreed to host a cohort of students on the next programme intake.

### *Success Stories*

- **enjoy** is extremely proud to have been able to continue to focus on protecting jobs and hours whilst operating in a challenging environment.





- We introduced a recruitment programme called Fast Track to recruit colleagues without an NPLQ and put them through training and successfully completing the NPLQ course, this led to permanent employment that helped us fill vacancies.
- Introduced a Menopause Policy that provides support and awareness for our colleagues, this was complimented by awareness training for our manager about how to support their colleagues.
- We increased our Mental Health First Aider (MHFA) cover across our centres and now have at least one MHFA in each sport centre.
- Due to investment into people development and leadership training, we were able to fulfil recruitment into Assistant Service Manager, Service Manager and Senior Manager vacancies, which reinforces our commitment to growth and succession.
- Customer service training has been rolled out to all staff to maintain a competitive edge in an increasingly tough market.

#### *Ongoing Challenges*

- Recruitment and retention of staff continues to be the biggest challenge faced by **enjoy**, influenced by suppressed labour markets, demands on rates of pay, lack of qualification courses running through the pandemic and a subsequent lack of available candidates.
- Providing a pay award for 24/25 that will positively impact on the degrading grade differentials and the subsequent impact this has on recruiting for senior posts.
- As a result of the Flexible Workforce Development Fund closing and a loss of £15k of funding, our ability to invest into people development may be compromised.

#### *Memberships & Customer Return*

Fitness Membership numbers have risen slowly post-pandemic, after appearing to stagnate at around 4000 during 2022. Whilst overall net numbers have increased during 2023, there are also a high number of cancellations being experienced.

Overall, at the end of 2023, enjoy had around 4400 fitness members; around 4100 of which were on direct debit payment plans, and the remainder averaged at around 200 per month as 'up front' payment members (e.g. paid for a week/month/6-month/year in advance).

The extraction of useful management information has presented a problem since the migration to a new leisure system (Legend) in May 2023, and aligned to this, new members of staff who have subsequently replaced previous members of staff who were heavily involved in the build. The suite of available reports, as well as those that have been designed from scratch, has improved significantly over the period since May 2023.

#### *Success Stories*

- **enjoy** has retained or recovered a high amount of our membership base post-COVID. We were ahead of the average retention in the midst of the first lockdown, and continue to be grateful for our loyal customer base.
- **enjoy** is uniquely positioned mid-market for the cost of living crisis and we hope that any membership we lose for those who can no longer afford a monthly direct debit can access



facilities through the Access to Leisure scheme and that those who are cutting costs will join after leaving a more expensive commercial gyms.

- Members, customers and tourists returned in large quantities to Dunbar Leisure Pool during the School Summer Holidays, and tourism at Musselburgh Old Golf Course in Summer 2022 was also very impressive.
- 2023 statistics indicate that overall membership numbers are not falling, despite the cost of living crisis, albeit set against the backdrop of slowly reducing inflationary rate.

#### *Ongoing Challenges*

- Ensuring that prices and charges are increased enough to cover inflation and rising wages without aggravating existing customers and still being able to attract new customers.
- Increased competition from private gyms in Edinburgh and East Lothian, especially those with cheaper prices and newer facilities.
- Refreshing branding and improving customer service to grow the customer base, retain existing customers and provide value for money.
- Increasing usage of at home fitness due to changes in customer behaviours through the pandemic and the gradual return to work reducing local usage.

#### *Business Development*

This function continues to establish and maintain relationships, proactively seeking prospects and opportunities to promote long term growth.

#### *Success Stories*

- The Dunbar only GP referral trial was a great success and has progressed to growth in the Health & Wellbeing function with planned expansion to a long term conditions programme throughout the county. This has also led to an exciting new partially funded partnership with NHS.
- We maintain a strong partnership with Fitness Education Academy, members and customers of enjoy leisure have access to personal trainers who can use our gyms to work with their clients. This partnership also allows for 50% reduction of FEA courses for our staff.
- A new relationship with Ford has allowed the use of a charitable joint (Enjoy & Ford) liveried van.
- Working alongside comms and marketing, there is new branding, website and mobile app which allow increased brand awareness and engagement.
- Relationship building with several prominent East Lothian Organisations continue as priority, allowing corporate memberships and passes being purchased and funding being provided by several key partners.
- Various review papers have been written and are with senior managers for review or as in the case of one paper, is outsourced for external appraisal.
- Grant, Trust and Foundation monetary funding over the past 3 years has allowed purchases of various pieces of capital equipment, including several high value items, such as a pool pod and athletics throws cage.



- A large scale customer survey has been undertaken (analysis pending) which will allow insight into needs, expectations, required improvements, pain points, trends and competitive pressures.

### *Ongoing Challenges*

- External grant funding is now becoming exceptionally challenging as Foundations are inundated with applications post pandemic.
- Ongoing issues with staffing means little time is available on the ground to dedicate to new initiatives. As a result of one particular vacancy, data collection and analysis is challenging. This data is key to gaining insights to potential markets and consumer preferences, allowing evaluation of changes to offers and changes to membership packages.

### *Finance*

There has been no reduction in the management fee from East Lothian Council in 2023/24, which **enjoy** greatly appreciates as a support in our recovery. However, the position for future years remains uncertain as East Lothian Council grapple with significant financial pressures in their budgetary position.

A large deficit budget of £366k was set for the group in the 2023/24 financial year, albeit the year-end position is gearing more towards a break-even position. There are significant pressures upcoming for the group's budgets, with National Minimum Wage (£11.44/hr) rising from April 2024, and political / moral pressure to increase pay in-line with the Real Living Wage (£12/hr from Oct'23).

A material number of vacancies have been experienced during 2022/23 into 2023/24, which have proven hard-to-fill, but have concurrently created a budget underspend to assist in meeting a balanced income v's expenditure outcome for 2023/24. The vacancies continue to cause operational issues at centres.

### *Success Stories*

- Thanks to strong cash management prior to the pandemic **enjoy's** reserves remain much higher than expected, and very close to the minimum level of £1.2m at the end of 2022/23 financial year.
- 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 last couple of years.
- The planned upgrade to our leisure management system was operational from May 2023 and provides access to a massive suite of information and opportunity for maximising customer service.

### *Ongoing Challenges*

- Price increases continue to be applied to several products including pool chemicals and CO2, paper products, food, and transport costs. 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.
- Rebuilding reserves to above the minimum target level in order to reinvest in the business.
- Balancing the need for fuller staffing in our centres versus the budgetary savings that these provide.
- Maximising the efficiency and usage of the new Legend Leisure Management system whilst continuing business-as-usual and not disrupting the customer experience.

## Marketing

A concerted effort has been made since March 2022 to update Enjoy Leisure's brand and appeal to a broader range of audiences, given the changing demographics in East Lothian. The marketing and communication manager identified areas to help develop the data and digital maturity of enjoy leisure, and improve the digital customer experience for enjoy users. This includes developing a new website, app and merging with a new booking system. Development of data collection and analysis has also been undertaken to develop longer-term insights and trends, current snapshots of customer satisfaction and ongoing customer feedback routes.

### *Success Stories*

- The introduction of a new website and app, timed to coincide with introduction of new online booking system.
- Initial launch of new branded and promotional materials, to roll out across centres.
- Improved website analytics, providing quicker routes to booking.
- Almost 4000 app downloads since launch.

### *Ongoing Challenges*

- Development of Innovatise third-party app modules, to optimise customer experience and functionality of app with Legend Leisure Management System
- Enacting Phase 2 of website development, to improve integration of Legend Leisure Management system.
- Development of MA+ functionality for Legend and the app, introducing push notifications, gamification and improved customer experience.
- Merging Legend data with historic Gladstone data to provide ongoing insights, analysis and trends.
- Development of online customer journey to include automation, on-boarding and instant feedback routes.
- Maximising limited resource to deliver these projects, while maintaining current provision

## The Organisation

The Senior Management Team restructure, which saved £50k per annum, continues to be a success for the running of the organisation. The Financial Controller left in November 2022, but continued to provide support to enjoy over the following months, prior to a permanent Head of Finance commencing in June 2023.



Succession plans are in place to replace the current Head of Operations, who is due to retire in March 2024.

We have struggled with Marketing & Communications expertise since the previous postholder left enjoy but they have subsequently been providing 1-day a week support in the meantime. A new postholder is anticipated to commence in post in early 2024.

We have also seen a highly efficient and engaged Board of Directors emerge over the last few years. The enthusiasm and stewardship have been and will continue to be invaluable as we moved through the current challenges and to continue on the long path of COVID recovery.

Partnership with ELC has continued to positively develop 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 (both Politicians and Officers) 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 be a leader in offering all residents real opportunities to enjoy and lead active, healthy lifestyles.