

BOLTON MIDDLEBROOK LEISURE TRUST

Report to: Children's and Culture Scrutiny Committee

Report from: Managing Director

Date: 31st March 2016

Subject: Update Report

Please accept my apologies for being unable to deliver this update report to the committee personally, I look forward to the opportunity to present to you in the near future.

The report consists of an executive summary with more detailed information following, this information in the main consists of extracts from senior managements submissions to our most recent Board meeting and will I hope give you a flavour of what's going on here at the Arena.

One particularly disappointing item to report has been the inability to secure further funding to continue to develop the project that I focussed my presentation to you on last year – inspire2action was a most successful pilot project run in partnership with public health and Sport England aimed at getting the truly inactive members of our community more active. We saw over 60% of participants maintain some form of healthy activity post program and had many inspirational success stories that came out of it. The intention was to roll this out on a larger scale across the whole of the Borough and widen our target audience to include children and young adults. We have secured a small amount of funding going forward which will enable us to run a very much reduced program catering for direct referrals from public health.

I extend an open invitation to you all to come and see the fantastic use the facilities are being put to.

Should there be any further questions please get in touch via paulbartle@boltonarena.com or by phone on 01204488100

Executive Overview

Financially we continue to perform well, as a charity we target a small surplus each year and have been able to deliver these over the last several years with decreasing levels of revenue subsidies - we are now at the point of being sustainable with zero subsidies from BMBC. All surplus' over and above our reserves policy are reinvested in the programs, the people and the facilities.

Participation and use of the facilities continues at very high levels with over a million visits per annum and peak time utilisation at close to 100%

Programs and activities remain diverse with a continued emphasis on balancing commercial and community based activities for all.

Our gymnastics program has been particularly successful with over 600 children now enrolled and a waiting list approaching 1000.

Educational use of the facilities is specifically concentrated on, with over 13000 visits from all levels of educational establishments ranging from primary right through to higher and university levels.

Partnerships continue to be very important and a new initiative could prove to be exciting for the future. 13 trusts are forming a Greater Manchester wide association to enable County wide, scalable delivery platforms to meet the anticipated challenges and opportunities that GM devolution of the Health and Wellbeing agenda will present. This will inevitably deliver further close partnership between ourselves and Bolton Community Leisure to ensure we present a "one Bolton" front.

Another exciting partnership with St Joseph's School is now operational, we are assisting them in managing their sports facilities out of school hours with the aim of increasing community usage during those times.

Our future aspirations remain to secure more covered sports hall facilities to satisfy the continuing demand for those facilities whilst ensuring we maintain delivery of our high levels of quality service to the local community.

Association of Greater Manchester Leisure and Cultural Trusts

At a recent series of presentations made to leaders of the Leisure and Culture Trusts who cover the 10 Greater Manchester Districts at which Public Health England, Greater Sport and Sport England spoke around the challenges and opportunities that devolution will bring to GM, there was a strong consensus of a need to consider how we would best place ourselves to be able to meet these challenges and maximise the opportunities.

Under devolution GM will be the first area of the country to receive devolved health and social care responsibilities from April 2016 (GM Devo). The ten GM districts have submitted locality plans to inform strategic devolutionary plans and how they are to be funded. There is a circa £1 billion health and social care deficit to fill, therefore funding will need to be allocated differently under devolution. New transformed whole system approaches will arguably be required with an increased emphasis on early intervention and prevention services. Inactivity related health conditions are a major and growing problem. Therefore, service delivery models that can achieve cost effective and population scale impact to turn the tide of inactivity can contribute to reducing the unsustainable demands on health and social care budgets. Greater Sport has worked with GM stakeholders and districts to produce the 'GM Get Moving Blueprint'. This document is a call to action for stakeholders around a number of pledges to increase participation in sport and physical activity and to shift the inactive to active. Other organisational networks that contribute to health and social care, including Housing Trusts and Age UK, have already provided a coordinated and coherent offer in response to potential GM Devo commissioning opportunities. The Trust sector is developing rapidly by improving universal services and by introducing new targeted early intervention prevention services. If standardised and coordinated, GM Trusts can provide a compelling offer to contribute to a transformed whole system delivery approach with other GM stakeholders under GM Devo.

After the presentations a round table discussion took place as to how we might wish to go forward

The conclusions were unanimously agreed and are summarised below

Trusts could respond more effectively as a collaborative network to the contemporary challenges faced by public and third sector organisations. A unique and unprecedented opportunity exists for GM Trust leaders to take more control of the GM agenda by forming a collaborative Trust network to work with stakeholders and commissioners at the GM strategic level. GM Devo can act as a catalyst to do this and although GM Devo might not yield immediate joint Trust commissioning opportunities across GM, Trusts will be perfectly positioned to capture future GM Devo opportunities. Trusts can not only become key stakeholders in new health and social care delivery models, but going forward as Devolution rolls out, Trusts can become key stakeholders involved in new service delivery models to impact on worklessness and skills development, children and young people and crime and offending.

There is a case for forming a collaborate GM Trust network with the notion that such a network will be capable of achieving more than the sum of its parts, and that 11 Trusts should not continue to do things in 11 different ways across GM districts. Such a network could not only achieve scale economies, but could become a key stakeholder in a new transformed GM approach to public service delivery. Specifically, collaboration could boost leadership and organisational capacity as a consequence of sharing resources and expertise, develop closer more functional relationships with GM commissioners and stakeholders, better position Trusts within district and GM strategic planning structures, improve the resilience of all GM Trusts and better enable all Trusts to respond to service development and commissioning opportunities. Ultimately this could lead to the creation of a network of high performing Trusts that will secure the long term security and stability for the GM Trust sector.

At a subsequent meeting the concept was developed further and it was agreed that the association be formed and that each Trust was eligible to join, that a Strategic Partnership and Service Development Manager be recruited with the remit of leading collaborative work to design, develop, fund and implement services that deliver population scale improvement to health and wellbeing achieving better outcomes for people through regular participation in physical activity. This role would be on a fixed term contract and be funded from fees chargeable to become a member.

Working parties were established to look at developing the detailed mechanics of how such an association would function.

I hope Board are supportive of the initiative and once membership fees and budgets along with full terms of reference are established I would seek approval that we join the association.

Sinking Fund and Facilities Maintenance

We have almost completed all the work from our building condition survey with only three jobs outstanding. This work relates to a complete clean of our external building infrastructure, a major refurbishment of our lifts and a new signage scheme throughout. This work has been programmed in to our maintenance schedules and will be completed by the end of February

To date we have spent almost £62,000 from the sinking fund alone on maintaining our facilities. We've spent a further £60,000 on servicing our major plant and equipment together with completing ad hoc repairs throughout the building.

Detailed below is some of the more significant work we have already undertaken:

| Work undertaken | Cost |
|---|---------|
| Minor refurbishment of our changing rooms | £18,000 |
| Repairs to external light fittings | £5,000 |
| Major service of our tennis court irrigation system | £2000 |
| Replacement fire doors | £4500 |
| Refurbishment of our studio flooring | £4000 |
| Repairs to our Track seating | £4000 |
| Re-carpeted our offices | £2500 |
| Updated fire alarm system – DDA regulations | £5,950 |
| Retiling of some of our changing rooms shower walls | £6000 |
| Repairs to our fire ventilation system | £2000 |

St Joseph's High School letting Service

We have now commenced letting the facilities at St Josephs High School and the transfer from the previous lettings provider to ourselves has gone extremely well. A considerable amount of work has gone in to the transfer and the attention to detail has paid dividends as we have seamlessly transferred almost 40 block bookings onto our booking system.

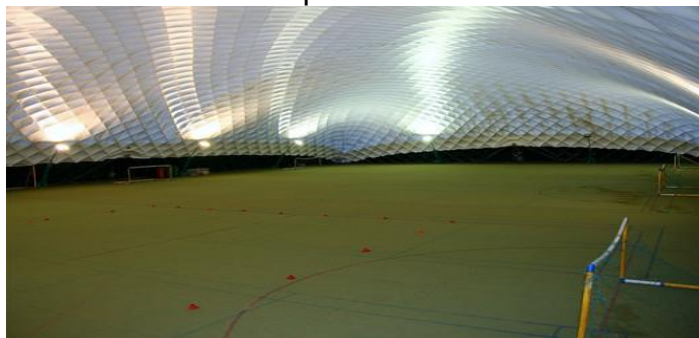
We have also made introductions to numerous ad hoc and event bookers with a number of these contacts making bookings over the next few months, some of these bookings include dance festivals, drama performances and small consumer shows.

It's our intention to review the programme over the next few months with a view to enhancing the current provision currently offered at the school. We have already made contact with the Lancashire FA with a view to working in partnership on projects such as the FA Skills and bringing Futsal to the local community.

We've also made contact with the local Netball league with a view to operating leagues from St Joseph's and it is our intention to develop links with local martial arts groups to get better utilisation of the Anthony Centre. We have also made contact with a host of local performing arts societies to try and increase the use of the School Hall.

Below are a number of photographs of the facilities at St Joseph's

The Dome at St Joseph's



The Sports Hall at St Joseph's



The Anthony Centre at St Joseph's



The School Hall at St Joseph's



2. Commercial Report

Health & Fitness

The trend of the previous months has continued and it continues to be a very challenging market. However, there are some positives. Although like for like sales are down compared with the previous year, our average yield per member is 10% up, which is mitigating the drop in sales somewhat. Another positive was our Black Friday offer which generated 27 membership sales in one day and a 1000% return on investment.

Faced with a challenging market, we continue to be proactive with initiatives to attract and retain members. We have introduced 6am opening for gym members. There was support for 6am opening in the recent member survey and the earlier start gives us an edge over our competitors, most of which

open at 6.30am or later. The 6am opening is a key strand of our New Year campaign. The campaign is called #togetherfitter and aims to communicate the unique levels of support and service we offer our members.

We have introduced a 12 week Body Makeover membership for members looking to achieve life changing results. As well as generating additional revenues, the membership is also a recruitment vehicle for USN's Body Makeover Challenge and a good example of how we are trying to work with our sponsors to develop new products and services.

We are also trialling a new 'win-back' strategy for members thinking of cancelling their membership. We recognise that members often leave because their usage has dropped, so we are offering a free month plus support to try and rekindle their interest. It is early stages, but we have had some successes and believe it will also deliver long term benefits because of the goodwill created.

Table 1: Membership statistics for the previous 3 months

| | Actual sales | Target sales | Last Year | Average monthly yield per member | Total | Attrition rate | Whole Workforce Members | Whole Workforce £/visit |
|------------|---------------------|---------------------|------------------|---|--------------|-----------------------|--------------------------------|--------------------------------|
| Oct | 88 | 130 | 151 | £27.88 | 3026 | 3.9% | 707 | £5.76 |
| Nov | 114 | 130 | 117 | £27.34 | 3033 | 3.2% | 722 | £6.09 |
| Dec | 61 | 75 | 76 | £31.81 | 2988 | 5.5% | 733 | £8.64 |
| Tot | 263 | 335 | 344 | £28.55 | | | | |

Main Hall Events

November's Jungle Fever Cheerleading event was the last scheduled event of the current financial year. And it was another successful year, delivering a net contribution of over £125,000 (112% of target) over 23 event days at an average yield of almost £5500 per event day.

Although we now have a 3 month break from events, our Events & Conference Executive, Hannah Mooney, has been busy securing events for 2016/7, which include a balance of new and returning events. As it stands, the events currently confirmed would give us growth of 9% on the current year's budget, which is a fantastic position to be in at this stage of the year. As well as giving us certainty of income, it gives more certainty to our tennis programming as squads and courses are much less likely to be disrupted by short notice event bookings.

Table 2: Booked Events 2016/7

| | | Gross | Net | |
|---|-----------------------------|-----------------|-----------------|----------------------------|
| 24 th Apr 2016 | Great Northern Wedding Show | £ 9,450 | £ 8,119 | Contracted Deposit paid |
| 5 th /6 th May 2016 | Election Count | £ 12,000 | £ 10,800 | At contract |
| 14 th May 2016 | The Fight Label | £ 18,700 | £ 10,550 | Contracted Deposit paid |
| 4 th /5 th June 2016 | Great British Craft Fair | £ 22,852 | £ 17,907 | At contract |
| 2 nd /3 rd July 2016 | Film and Comic Com | £ 19,050 | £ 15,468 | Contracted Deposit paid |
| 17 th July 2015 | Family Funday | £ 4,545 | £ 3,513 | At contract |
| 20 th Sept 2016 | Great Northern Wedding Show | £ 9,450 | £ 8,119 | Contracted |
| 1 st /2 nd Oct 2016 | XL Expo | £ 10,300 | £ 8,170 | Contracted |
| 12 th /13 th Oct 2016 | Health and Safety North | £ 17,850 | £ 13,630 | Contracted Deposit paid |
| 13 th Nov 2016 | Jungle Fever | £ 10,650 | £ 8,585 | Contracted Deposit paid |
| 11 th /12 th Feb 2017 | Film and Comic Com | £ 19,050 | £ 15,468 | Contracted Deposit paid |
| | | £153,897 | £120,329 | |

Conferences

Conferences are slightly behind target, although it is pleasing to report that bookings for the Arena Suite are slightly ahead of expectations. Based on the confirmed bookings for the next 3 months, we expect to be on or around target at the year end.

Tenancies

We have secured a new tenant for our last remaining office. Hamilton are external wall insulation contractors, who will use the space as a regional office. Their Head of Commercial is a gym member and saw the office advertised on our facebook page, which illustrates that many businesses choose Bolton Arena for lifestyles reasons as much as for business reasons.

Table 3: Rentals Budget Summary

| | |
|-------------------------------|------|
| Occupancy (% of available m2) | 100% |
| Vacancies | 0 |

3. Programming Report

Football

A difficult quarter, managing departure of a considerable number of teams but welcoming in almost the same number. Retention of teams proves the most difficult in their first year of attendance at the Arena, it is these teams that are the most likely to leave, generally citing insufficient numbers as their reason. Cancellations, a connected problem to the departures are also up year on year. Data is analysed and cancellations are frequently linked to team numbers. We are reflecting on the leagues performance statistics and identifying trends. Having recently undergone some training around action planning and management of the customer base; Marcus is undertaking a number of measures now around regaining departed teams, amalgamating successful leagues and retention of performing teams. We do of course continue to use our player pool mechanism which serviced 20 matches between October and December realising a surplus after payment of £1100. Football venues across the industry look to combat against match cancellations in varying ways. Player Pool is becoming more popular with complexes but its results at the Arena are slicing from the iceberg that sees a third of matches cancelled. Ultimately, if a group of mates can't field their team then a cancellation remains the most favourable option. The ultimate reward of maximising income can only be achieved if teams paid in lump sum advance instalments. Something we aim to investigate. Nearby Powerleague Bolton are swaying towards more social hires as opposed to leagues. Our four five-a-side programme has long hosted double the amount of leagues than our nine pitch counterparts. Is there a shift towards less intense, less confrontational and arguably injury free form of football?

League team numbers:

- Juniors 29
- Ladies 6
- Senior mens 102
- Currently operating 4 leagues short, and with vacancies in reduced programme at 23.

Gymnastics

LTA gym development

The Ita gym; at the point of receiving this report; has been redeveloped as a 'mini gym' venue. The room has been kitted out with a full range of pre school specialist gymnastics equipment and fully carpeted. This is to permit the further development of the gymnastics programme. The mini gym is hosting a range of pre school classes, vacating space in the main gymnastics centre (set) for beginner classes.

This development therefore includes growth in pre school classes as well as beginner classes in which we have exceptional demand.

The development has included the addition of new staff to our coaching team as well as training for Dianne and Rosy.

Gymnastics is scheduled into the mini gym Tuesday to Friday, giving way at the weekend and Monday for block hires and community programmes.

The current gymnastics courses finish at the end of January with re enrolment from the middle of January, this will be our biggest ever! We currently have 620 on our books weekly but this will rise significantly when the new classes are in force.

We have been given a small fund from British Gymnastics to host a gymnastics display for the town, this is planned for April, and we have also received some funding to develop a class for 11+ years. This will commence in February.

Working with schools

We are currently delivering multi sport activity to Rumworth, Ladybridge, Firwood, and from January Thomasson Memorial school, so we are something of a specialist in disability delivery in a range of sports.

The latter; Thomasson Memorial School is a funded delivery from the Tennis Foundation for children with a hearing impairment. Bolton Arena is undergoing its 'Deafinitely Inclusive' application, and the funding for this delivery is in connection with that submission.

Funded projects

We continue to deliver Inspirebolton2action, a pathway referral project with Specialist Weight Management with Public Health funding. We are currently working with Public Health to assist in the design of a Bolton wide intervention in anticipation of increased patients coming through that pathway.

We are in the process of working with AO to enhance their membership offer with additional 121 support as well as tracking participation; with a view to increasing take up of activity primarily in the 19-30 years age group. We have been in AO over 3 days now, in the autumn and also this week as part of their health week. The difficulty in attracting sedentary but healthy recruits continues to be a challenge...!

Tennis

USN Bolton Arena Christmas Tournament – We hosted a grade 3 Christmas tournament that commenced on Sunday 27th December for 7 days. We attracted 300 players to play in the 7 day tournament from U8's – seniors.

Junior & Adult Courses – Overall numbers on the junior development programmes are slightly higher than the previous term with over 200 on the development programmes slightly lower number on Adult programmes but high demand for pay and play sessions.

Future Large Tournaments –

15th – 22nd January 2016 Nike International 'Teen Tennis tournament Grade 1 U14's

15th – 20th February 2016 ITF G2 international Wheelchair tournament

11th-13th March 2016 National Schools Finals



Community Programme 2016 – Following on from a successful 2015, we are looking to grow participation across the programme. We will again be delivering at Eagley Tennis Club, Moss Bank and Westhoughton Park. The sessions on offer will cater for families, adults and juniors with all courses planned to start in March. We will once again be looking at running various promotions in the Market Place, Middlebrook and various supermarkets to raise awareness of the tennis courses we offer.

Mini Tennis Red Festival - We are currently promoting our first Mini Tennis Festival of 2016 which is taking place on Sunday 31st January. As part of this the coaching team are visiting a number of schools in the area to deliver a taster session and promote the event. The aim of the event is to invite children from the area to the arena for a free afternoon of tennis coaching and fun challenges. They will then be offered a place onto one of our weekly coaching courses.

Schools Outreach – We now have established links with over 30 primary schools in the area. We are looking to grow these links over the coming year by offering further tennis opportunities through after school clubs, tennis training and curriculum delivery.

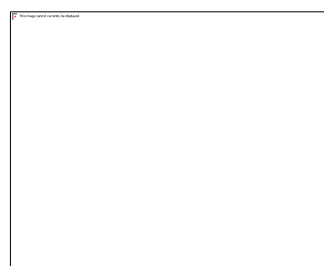
Performance Report/Results

The players have been working very hard in their home environment of Bolton Arena. Squads have had a very energetic and focused feel to them. The players have been impressive in how they are living out our OWNIT philosophy. Below is a selection of some recent results from Bolton Arena players:

Barney Fitzpatrick quarter Finalist at Nike Junior International Roehampton Oct'15

Marni Banks Semi Finalist at and doubles champion at Nike Junior International Roehampton Oct'15

Eva Siskova WTA ranking of 1266
after successful events in Greece – Nov'15



Marni Banks gets 1st ITF u18 points at the age of 13 by qualifying and winning 1st round of main draw at Liverpool Nov'15



Marni Banks (13) represents Lancashire Ladies team winning 3 out of 6 matches at Winter County Cup Nov'15

Hannah McColgan (16) represents Cheshire Ladies winning 5 out of 6 matches at Winter County Cup Nov'16

Holly Staff Semi Finalist at Gothenburg Tennis Europe Event

Holly Staff Runner Up at Malta Tennis Europe Event and doubles champion

Lily Harper 3rd in the National 9U Grade 2 event

Ella McDonald and Viktor Frydrych (access player) selected to represent GB u10's vs France (in Feb'16)



Hannah McColgan u16 National
Grade 2 Champion Dec'16

Excellent results from our home Grade 3 Bolton Arena Christmas tournament with Bolton players winning 11 titles and numerous runner ups

Barney Fitzpatrick and Marni Banks travelled to play the Orange Bowl u14's a year young in their age groups. Mixed results but a good learning experience. Dec'15

Hannah McColgan semi finalist Sheffield Ladies British Tour Jan'16

Marni Banks quarter finalist Sheffield British Tour – Jan'16

4 players travelled with Elliot Chang (tennis coach) to Halton TC to take part in a 'Team 5' U13 Camp for 2 days



Peter Alam Lithuania Tennis Europe
Singles and Doubles Champion Jan'16



Bolton Arena Mini Red Team (u8's)

Won the Merseyside Mini Red Challenge Jan'16

Freddy Blaydes 4th at the National Grade 2 at Sunderland Jan'16

Ella McDonald 2nd at the National Grade 2 at Bolton Jan'16

Marni Banks, Hannah McColgan and Barney Fitzpatrick selected to play
Winter Cup for Great Britain in Feb'16

Holly Staff, Ali Hassan, Barney Fitzpatrick selected to play for Great Britain in
a friendly match vs the USA Jan'16