



Active Northumberland

Annual Service Report

April 20- April 21

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Vision

Our vision is “To be the Best Community and Wellness Provider in the UK” at delivering quality leisure, physical activity and sporting opportunities across Northumberland and to improve the health and fitness of the population of Northumberland in line with the Northumberland Health and Wellbeing strategy by 2022.

People in Northumberland will have a better quality of life as a result of their participation in physical activity and sport. Active Northumberland is not just about sport, it is about “wellness” and, feeling fitter, with a focus on improving health and wellbeing and preventing ill health and social isolation.

Background

Active Northumberland (AN) is a registered charity (company limited by guarantee) formed in 2014 from a merger of several different leisure service providers.

AN has circa 710 employees consisting of a mix of contracted (both full and part time) and casual staff and a Board of 10 non-executive Directors (trustees) with a diverse and relevant range of expertise and senior level management experience. AN operates nine large leisure centres (some of which combine library services) and a number of smaller facilities, including school sport facilities, welfare centres and are responsible for the Pegasus Riding Centre which offers horse riding for the disabled and livery services All of AN's facility and service management contracts are within the county of Northumberland.

The majority of the facilities operated by AN are owned by Northumberland County Council (NCC) and are leased to AN, who in turn manages the operation of leisure facilities and services for NCC under an Operating or Partnership Agreement. The Partnership Agreement, coupled with a performance management framework ensures progress is appropriately recorded and acknowledged, and that under AN's management, NCC's leisure assets and resources are optimised and successfully contribute to NCC's Corporate Plan priorities and objectives.

Public service budget pressures present a challenge to AN of retaining and continuing to develop and improve services with a continually reducing management fee. Efficiency saving requirements deliverable over the period 2018-21/22 are £765K, with £265k in 2019/20, £200k in 2020/21 and £300k in 2021/22.

In addition to these savings requirements a further budget pressure in the region of £1 million was anticipated (per annum) from 2019, resulting from a pay/grading and harmonisation of employee terms and conditions exercise. Utilities tariff increases also represent a significant budget pressure although during 2020/21 we have seen a reduction in utility consumption due to the forced Covid 19 closures, however we estimate a 3% increase for 2021-22. NCC and AN are continuing to work closely together to manage cost pressures, including looking at green energy supply as well as invest to save schemes and working and operating more efficiently.

Performance

The dedication and hard work of AN's people, coupled with the support of partners, has resulted in a remarkably successful year despite the period being dominated by COVID-19 and the significant loss of revenues. We have an exceptional team of people at AN, and they have clearly demonstrated a fantastic team effort and amazing passion for our business and our customers.

Performance Headlines

Our year-end position figures show a £1.875m loss against budget but holding a cash reserve of £1.328M.

Participation Highlights

- € Over 90,000 swims across 9 pools.
- € Learn to swim programme class occupancy rates dropped to 84%, (1% less than last year).
- € Gym visits decreased by 489,604 to 139,315.
- € Over 3300 exercise referral visits by people with long term health conditions.
- € 5,799 Facebook posts, the average social media reach per post was 1,164.

Going forward performance monitoring and evaluation involving the Corporate Key Performance Indicator framework added to the company's balanced scorecard. The company's quality management system will be aligned to pursue Quest quality assurance accreditation at main facilities, and a number of operational outputs will benefit from national benchmarking.

The Board Governance and Management

Active Northumberland Board members have been recruited through a recruitment agency matching skills and knowledge to the needs of the organisation. As well as experience of management and strategic planning, Trustees are required to have relevant sector and geographical knowledge enabling them to contribute effectively to the Charity's strategic objectives.

The Board work to ensure that they remain assured that the organisation is delivering effectively against its key aims and charitable objectives. In line with a Management Agreement with the Council the Board receives regular reports on financial issues, HR (Human Resources) issues and has developed a risk register and stringent health and safety arrangements which are routinely audited and reported at board meetings.

Public Benefit

Created as a leisure trust, in partnership with the local council, the ethos of the leisure trust is to operate on a non-profit basis with a mission that is rooted in addressing health inequalities. Trusts therefore endeavor to maximise the health and social value of the public leisure assets they manage, for example, by providing concessionary services and bespoke services to support people with long term health conditions and disabilities.

Board of Trustees:

Chair - David Hall (Northumbrian Water)

Joint Vice Chair – Jane Riley (Independent)

Trustee – Modaser Choudhary (Newcastle University)

Trustee – Malcolm Copland (Greggs)

Trustee – Steve Crosland (Independent)

Trustee – Claire Riley (NHS (National Health Service))

Company Secretary – (New appointment to role 1st April 2021)

The Board of Trustees have signed up to and act within the principles of the Active Northumberland Governance Code of Conduct. A standing agenda item, enabling Trustees to declare any relevant interests, is included at each Board meeting. The Board has agreed a Conflicts of Interest Policy taking account of the Charity Commission and Regulator Guidance.

The Board meet every two months with a minimum attendance of 50% for all Board meetings being agreed, and attendance at Board meetings remaining high at 80% overall. This is currently monitored by the Executive and reported to the Board on an annual basis enabling any issues to be addressed. All meetings have taken place as planned, enabling effective decision making throughout the year. Board meetings throughout 2021 have been held via Team calls to ensure that they could continue as normal while also respecting the COVID-19 restrictions.

A new Company Secretary has been appointed as of 01/04/21.

Increasing Health & Social Impact

As part of the Joint Health & Wellbeing Strategy 2018-2028, we are working to deliver the strategic priorities together with, and complementing the work of, our partners.

Giving children and young people the best start in life:

Active Northumberland are committed to promoting good physical health and wellbeing of children and young people (CYP) within Northumberland. We aim to ensure that every CYP has a great start in life, and we understand how sport and leisure can make a positive contribution to a young person's life.

We support schools within Northumberland developing opportunities to develop whole school approaches in Physical Education, School Sport and Physical Activity (PESSPA) with the intent to develop positive attitudes to physical activity for CYP. The aim is for CYP to learn to have a lifelong positive attitude to physical activity and to lead healthy active lifestyles through their lifetime. We are unique to other leisure providers as we have a team of highly experienced qualified PE teachers that can deliver Physical Education in the school setting, they are able to assess and ensure that all delivery is differentiated to deliver an inclusive, broad and balanced curriculum, that is child centered, our ethos is not only to support physical development of CYP but also the emotional wellbeing, thus developing a positive mindset and resilient attitude. We build on the fundamental skills of physical literacy to ensure the correct skill sets are clearly embedded. We deliver the national School Games Programme which gives CYP from Y3-Y12 opportunities to not only compete but also to gain experience in leadership and volunteering.

As well as delivering Continued Professional Development (CPD) in the school setting to upskill non specialist teachers we also deliver external CPD, to date this has predominately been in the Primary setting but we have been fortunate to secure DFE (Department for Education) funding to extend this into the Secondary setting from September 2021.

Our out of school hours, extra-curricular and school holiday programmes aim to support the requirement of every CYP to participate in 60 minutes of daily physical activity as recommended by the Chief Medical Officer (CMO). We have collaborated with stakeholders to fund places for CYP in low socio-economic groups as well as other targeted groups within the county e.g., SEND (Special Educational Needs and Disabilities), BAME (Black Asian Minority Ethnic) and LGBT. Post pandemic we aim to increase our holiday offer across the estate.

Empowering people and communities:

Coming out of the pandemic we are anticipating a huge rise within our communities of people suffering with mental health issues. For several years, we have hosted community Health Walks across the County for persons of all ages. The health walks program is free to access and is a great way for the residents of Northumberland to become more active whilst also enjoying the social interaction both of which are vitally important when trying to tackle mental health problems.

Our aim is to encourage residents to utilise the County's vast open spaces for their physical health, but also create a support group for their mental health. Due to the scale of the groups, we rely on the support of walking volunteers, unfortunately some of which due to the pandemic are now no longer to volunteer for us.

Our aim for 2021-2022 is to use the develop and upskill of our walking volunteers using the Train the Trainer model. Volunteers will pair with Walk Leaders and in time lead the community Health Walks. Not only will this provide increased support for the Health Walks, but it will also create a positive impact within our communities and our volunteer workforce.

Similarly, our aim is to expand our organisation's current volunteer workforce into other areas of the organisation, such as gym support. Our volunteers will be able to support those who feel nervous about visiting our facilities offering a "buddy service" to make them feel at ease.

Tackling some of the wider determinants of health:

We are continuing to work closely with our partners to strengthen the services we provide to the public as preventative services. It has been proven that GP exercise on referral services such as Cardio Rehabilitation can successfully be delivered within a leisure environment at a significantly reduced cost compared to NHS interventions, whilst also preventing further long-term recurrent costs to the NHS. We are now focusing on a new preventative weight programme called Momenta to support obesity, diabetes and weight management. We have received some additional funding from our strategic partners in Public Health to support us with this program over the next 12 months, to ensure people whose weight condition has suffered because of the pandemic can be supported. We will be opening the scheme up to a self-referral process removing the need for participants to be referred by a medical practitioner and targeting those communities living in the more rural areas of our county. This service will be provided within our facilities as well as in some community settings and via our online platform, with the hope to increase health and wellbeing and reduce recurrent NHS costs. We're also focusing on the Obesity Strategy to ensure children in Northumberland receive 60 active minutes per day. We will not only be focusing to support this strategy within our facilities, but also utilising our specialist PE teachers to support Northumberland schools.

Although we advocate how exercise can provide significant benefits to our physical health and wellbeing, we also understand that our facility and community-based environments also influence and increase the impact we can have upon our community's mental health. We are currently rebranding and remodeling our catering outlets under our new name HIVE. Our catering outlets will promote good nutrition and the importance of hydration within our sites. It will have a significant impact upon our customer's dietary choices, supporting the healthy eating agenda, and provide a place for residents of Northumberland to congregate in an environment that supports good mental health. It will ensure the public has a sense of belonging and in turn we will reduce the feeling of isolation and loneliness within our communities.

We can further develop our commitment to reducing isolation and loneliness through developing a network of talking tables across our Hive outlets and encouraging interaction at these identified points.

We also recognise that our employees often have their own health struggles and shall continue to ensure that we are able to recognise any support that is needed and direct them quickly and efficiently to the proper support channels, utilising the partnership that we have with Occupational Health. We shall also continue to offer every employee the support of Westfield Health, a platform where staff are able to access their own support ranging from GP (General Practitioner) appointments to open forums on mental health struggles.

Adopting a whole system approach to health and social care:

Active Northumberland will continue to work collaboratively with our partners in Public Health and other Health & Wellbeing organisations to ensure we continue to promote the benefits of physical activity and help remove the barriers of access to our knowledge and facilities.

The demands on our Health & Social care system are currently at an all-time high and we expect these to continue to rise as a result of the pandemic, but through collaborative working in educating our communities to adopt new behaviour changes through physical activity and a healthy diet in order to optimise their own personal health & wellbeing we hope will help alleviate some of the pressure that is currently facing them.

We will communicate this message through our website and social media channels, utilising our members experience/testimonials to advocate the benefits our service has had on their own personal Health & wellbeing.

We will continue to work with our partners in Public Health to develop our already very successful Exercise on Referral scheme. Using the data, we collect from the participants attending the scheme we will show the impact the scheme is having on both the individual and the wider community.

We will continue to look at ways to develop our early intervention scheme and how we may be able to work with other key partners like the NHS, Escape Pain, Cancer UK, Diabetes UK to again educate these customers who are suffering from such long-term conditions on how physical activity can support them in managing and improving their condition.

Staff development will continue to be a focus in the coming 12 months. We will work with our partners at NCC & Future Fit to ensure that our teams receive the training they require to deliver the service we aspire to deliver. Behaviour Change and MECC (Make Every Contact Count) training will be a key priority in 2021.

Active Northumberland – Service Plan 2022-2023:

Our service plan outlines our intentions to achieve our objectives and improve our organisation within 202-2023.

Improving service quality:

We continue to improve the appearance of the physical facilities, maintaining equipment, cleanliness of the facilities, and communication materials. We focus on our ability to perform the promised service that we strive to deliver every day and take pride in everything we do. We will engage & communicate with strategic partners and our Health & Wellness team to embed a customer journey that is personalised to the individual needs of the customer.

The increased uptake on our social media continues to grow, the marketing plan allows us to track the content on a weekly basis with KPIs to track improvement and engagement. This also allows us to have comparable information year on year. Sales campaigns are evaluated through a SWOT analysis to understand the impact and customer needs. We will become less transactionally and more focused on improving customer loyalty which in turn will have a significant impact on improving lives.

"Our values of FUN, INCLUSION and TRUST drive our culture, which is fundamental to achieving our vision "to be the best community leisure and wellness provider in the UK".

Through our technology and systems, we can identify and map customer trends to understand preferences. Through brand recognition, improving our people's skill set, product knowledge and increased customer interaction we aim to always deliver an outstanding service.

Improving operational efficiency:

Operational efficiency improvements across the whole portfolio can be read in conjunction with reducing public subsidy through planned actions such as reviewing the operational cost of each facility, undertaking an organisational staffing review and maximising income opportunities through the leisure capital investment programme.

This section will, therefore, focus on how the Company plans to operate in a more efficient manner, with the potential to reduce public subsidy.

Operating during Covid-19 forced Active Northumberland to constantly review staffing requirements to deliver a service that was based upon operating within severe restrictions, whilst maximising the Job Retention Scheme. We also had to find alternative methods of delivering activities to customers who were unable to access facilities or leave their homes.

In 2022-23, we plan to use the learning from the Pandemic to improve our operational efficiency post pandemic, and in line with a new management agreement with NCC.

We will, therefore, improve our operational efficiency through reviewing our participation levels post pandemic and implement a revised staffing model that meets the needs of either reduced or increased footfall.

We will continue to make most of our activities pre-bookable to encourage customers to pre-book and pre-pay for activities in advance of visiting our facilities, thereby reducing queues at reception and improving the visitor experience for our customers.

Pre-bookable activities will also allow for greater flexibility with staffing models and requirements by setting limits in line with industry legislation.

In conjunction with pre-bookable activities, we aspire to make all our facilities cashless sites, reducing the requirement for cash handling and cash collection.

We will ensure that we implement a programme of activities that reduces periods of closures to allow for cleaning and sanitisation of activity areas.

We will aim to reduce our energy costs, government guidance permitting, to allow for recirculation of heated air within our facilities and to reduce plant operating times to pre-pandemic levels.

We will improve operating efficiency by ensuring that our people are appropriately trained and provided with all the information that they need to undertake their roles. We will achieve this through the creation of a platform that will hold our policies and procedures, training records and allow our people to virtually access mandatory training. Our people will be required to undertake competency-based tests, that will underpin the robust training programme and knowledge base.

By 2022-23, our Performance Management Policy will have been fully embedded into the Organisation and our people will working to personal development plans, to improve performance whilst encouraging individuals to maximise their potential.

We will strive to reduce absence across the Company through ensuring that our teams are fully equipped to use Fusion to record and report on absence, allowing absence reduction targets to be set. We will use our Performance Management Policy as a tool to manage absence levels.

We shall measure our operational performance via a series of key performance indicators that can be benchmarked within the industry and through using external audits to measure our improvement journey. We will aim to have our larger sites Quest accredited by the end of 2023, to provide quality assurance to NCC.

We shall engage our workforce through providing full visibility of key performance indicators monthly that will display progress towards targets.

By 2022-23 we will have implemented a succession plan that will ensure that, should key people leave the Organisation, knowledge and skills are retained within the Company. We will also have a full set of process documents in place to ensure that operations are maintained to a high standard.

We shall continue to use our professional knowledge and experience to influence and inform the decision-making process around capital development programmes to ensure that, where practical, investment has the capacity to reduce operating costs.

In 2021-22, we plan to utilise our learning through the pandemic and continue to improve our service to our customers through utilising digital channels and front-end technology. We will aim to reduce queues at our receptions through expanding our digital service for stay-at-home users and expanding our use of kiosks. This will improve front of house to improve ease of access. Our digital service will allow communities to participate in some of our activities without leaving their homes and will assist the Councils health and wellbeing agenda to provide a service for the hard-to-reach communities.

As part of our organisational review, we have reviewed how we currently outsource our direct debit collection to a third party; with a view to managing this process from our Head Office, providing a more efficient and tailored service for our communities, delivered by local people. We shall capture customer needs through their feedback and translate critical customer requirements into key metrics, providing an effective management tool for improvement. We shall capture this information via comments and an annual survey of customers.

Improving service usage and retention:

As we look towards coming out of the other side of a national pandemic, one of Active Northumberland's key priorities over the next 12 months is that of member engagement and customer retention. One of the key positives to take from the pandemic is that it has enabled us to put processes in place where we are able to get much more accurate data and therefore a better understanding of our customer usage and engagement levels.

Since returning from the national lockdown, we have taken this opportunity to hit the reset button and work with all front of house teams to improve on customer service. Getting back to some of the real basics that make a dramatic difference to the member experience such as acknowledging every customer that walks through our doors, being responsive to customer feedback and supporting customers with the Health & Fitness goals.

We have continued to invest in the TechnoGym - MyWellness platform with 5 of our facilities now fully integrated with the TG Journey system, and we hope the remaining 4 facilities will come onboard throughout 2021/22. We will use this platform for member engagement through both automated communications and in person customer engagement within the facilities. We will also use the platform to develop monthly challenges for our members whereby they will be able to compete against each other within their own facilities but also

contribute towards their facility totals when competing against other facilities creating that community team ethos that is a great benefit when looking to improve retention.

We will continue to embed and develop our member journey to ensure that our customers are receiving the support they require in order to achieve their Health & Wellness goals. By using the Technogym platform, we can monitor important elements of the member journey such as the quality of the interaction between the gym member of staff and the member, the quality of program the customer has received and probably the most important factor is the number of times they are frequenting the facility. We will use this data to set staff KPI's and reach out to members who aren't visiting or who are struggling with program adherence.

Over the next 12 months we will also explore opportunities to develop a Personal Training model on our gym floors whereby those customers wanting access to additional support will be able to do so. Whilst generally PT is only undertaken by 5% of members, across the organisation this offer would enable us to support a lot of members who may otherwise leave us due to the lack of support we currently offer.

Group-X will continue to play a key role in our member retention strategy. The pandemic again has forced us to be a lot more creative when it comes to Group-X, utilising online streaming to reach out to our members. Whilst customer access to online provision as slowed down considerably since the facilities reopened, we strongly believe that moving forward as we come out of the pandemic that it will be a customer expectation for us to supply an element of online experience. We will shift our immediate focus to the "on-demand" element of Group-x online whereby customers who are unable to attend our facilities can participate in a class from the comfort of their own home at their convenience but still with the benefit of a familiar instructor. We will also explore options for streaming our in-facility classes "live" online at the same time.

We will continue to monitor our Group-X program to ensure the program delivers what our members demand. We will look to create opportunities for our new members to take part in group exercise as the current data suggest that this is an area we need to address. We will look to do this through our member consultations whereby instructors will signpost new members to activities outside of the gym floor including group-x and wet side activities.

Improving the community representativeness of service:

The 'Mams on the Move' project, which primarily aims to tackle inactivity in postnatal women with a strong focus on upskilling and educating health professionals on the details associated with the health and wellbeing of these women in the vulnerable postnatal stage, is continuing to develop and thrive.

After the success of previous years, we have made some excellent progress and communications with our partners within the NHS and public health domains. Recovering and living in a new way of life from the coronavirus pandemic there will be an even stronger focus on supporting vulnerable groups to help overcome developed anxieties and fears.

Our next steps to achieve this are to create networks of support volunteers. These groups will be primarily postnatal women themselves who have had their children and our themselves giving something back to the community. We will be working with a group of breastfeeding

volunteers who have completed a series of training programmes which will have equipped them with the knowledge and skills to lead outdoor buggy walks.

Another aspect of the project, again working with our partners, will be the training elements that we have been developing over the last year. We will be undertaking training with midwifery teams across Northumbria; upskilling staff on the importance of physical activity in the antenatal and postnatal period. The evidence behind upskilling staff helps give women the confidence to exercise as they acknowledge a health professional has approved. We are using the 'More than Medicine' approach where staff will be prescribing and referring physical activity. The NHS staff will be able to refer women to our classes knowing we can take those added pressures and strains from the overall trust.

Improving service user satisfaction:

The customer platform we use allows us to effectively report, analyse, manage, and adapt to all our customer's feedback. We strive to continually improve our service and we can only do this if we understand which areas we need to improve on. The feedback gives us the opportunity to turn a negative comment into a positive outcome whilst maintaining the customer's faith in Active Northumberland.

The reports are summarised per site monthly which is then updated at the Board quarterly meetings.

We issue our Customer Satisfaction Survey twice a year to retrieve our Net Promoter Score which is benchmarked nationally. We have introduced new surveys to ensure we receive more qualitative feedback from our customers. The surveys are themed to ensure we target areas of improvement.

Improving employee satisfaction:

It is our intention that by the end of 2022/23, we will have a workforce that is not heavily reliant on casual staff, and we will improve employee satisfaction by having a contracted workforce.

Work undertaken as part of the Job Retention Scheme has allowed the Company to identify the number of true casuals and non-true casuals (entitled to contracts) within the Organisation and work will commence from October to offer non-true casuals an appropriate contract and subsequently improve the ratio of contracted to non-contracted staff.

This will improve operational planning and efficiency, whilst also improving morale for those who are entitled to a contract.

With the implementation of our Performance Management Policy, we aim to have given every member of staff an appraisal within the next 12 months, that will lead to the creation of a personal development plan tied into the objectives and values of the Company. We would like to see this progress reflected in staff satisfaction surveys in 2022/23.

In line with NCC objectives, we remain committed to learning and developing our people. With an agreement now in place with a training provider, Future Fit, we aim to produce a personal training plan for every job role and individual, to allow the Company to have a highly skilled and high willed workforce by March 2023.

As part of our drive to ensure that our staff feel safe and valued, we will continue to invest in their health and wellbeing through allowing free access to our facilities and continuing with providing free access Westfield Health benefits; a scheme that places the needs of the workforce at the forefront of our health and wellbeing strategy.

We will continue to improve our communication strategy with our people in order to inform them as to any developments within the Company and to recognise outstanding work by teams or individuals.

We will review our staff awards night in 2021/22 and ensure that we continue to build bigger and better in 2022/23, to recognise the valuable contribution that our people make to our local communities.

The success of improving employee satisfaction will be measured through an employee survey, with feedback used as an improvement tool. We have chosen 'Great Places to Work' as our survey partner in order to be able to obtain detailed information from colleagues on our performance and enables us to be benchmarked nationally as an organisation.

Reducing environmental impact:

In June 2019, Northumberland Council declared a climate emergency and developed an action plan that set out a commitment to reducing the County's carbon footprint by half by 2025.

To support NCC with their commitment, we aim to focus on our commitment to reducing our energy costs within the same time frame.

During the current year (2021-22), we shall have produced our three-year Environmental Plan (2021-24), detailing how we intend to reduce our impact upon the environment during the lifecycle of the plan.

We shall be working this year to ensure that we have baseline data in place in order that we can set reduction targets for 2022-23.

We shall report on key performance indicators on a monthly basis through our performance outcomes framework, to allow us to respond to poor performance or unexpected spikes.

Our Environmental Plan shall commit to reducing utility consumption, the amount of waste that is sent to landfill and reduce our transport emissions.

We aim to send 20% less general waste to landfill by the end of 2023.

To compliment the introduction of site-specific energy champions, an Energy and Environmental Procedure is being created. This will provide guidance, set standards and provide consistency across the estate as well as provide a toolbox for the energy champions.

We shall strive to reduce our DEC score through the continued investment in the estate and installation of energy saving measures. Our average DEC score is 11 points lower than the National Average and we aim to reduce this further once new facilities are open.

As part of our continuous improvement ethos, we will commence work on obtaining external accreditation for Energy Management (IOS 5001).

We shall continue with our commitment to reduce the amount of single use plastic that we use within our facilities (pool shoe covers, plastic cutlery) and strive to increase the amount of compostable packaging and utensils that we use in all our catering outlets.

Reducing public subsidy:

The public sector faces unprecedented financial, health and social challenges because of the national pandemic and the subsidy required to operate the Company during this period increased due to enforced facility closures, the inability to offer a full programme of activities and reduced capacities due to social restrictions and national guidance.

Against the financial demands faced by the Council and the Company, we believe that Active Northumberland is best placed to help the Council meet these health and social challenges and to help readdress health inequalities and to help break down barriers to enable residents who are socially excluded, disadvantaged, isolated and vulnerable to participate in physical activities to achieve their wellness goals.

We will work with the Council towards implementing a new management agreement to run concurrently from when the current agreement ends in March 2022, reviewing the services that Active Northumberland should provide to support NCC with readdressing health and social inequalities across Northumberland.

We will work towards seeking a longer management arrangement that provides stability and assurance for our workforce, but also allows for a reduced subsidy arrangement over a fixed period, considering the current position of the Company during the pandemic, whilst also realising new income opportunities that can be created with the completion of new leisure facilities in Berwick (Autumn 2022) and Morpeth (January 2023).

We will continue to reduce the subsidy required to operate the Company through increasing our income levels to pre-pandemic levels, based upon the ability to operate without any closures or imposed restrictions, such as social distancing measures.

We will aim to recover any memberships that were cancelled during the pandemic and rebuild our membership base to drive income growth. This will be supported by converting free memberships for NCC Employees into paid members.

We will rebuild our learn to swim programme from the current position where sessions are delivered at certain pools only and make sure that all sites offer lessons for residents, and we will increase the number of places available in the scheme by the creation of new classes within the new swimming pools.

As our utility costs are our second largest item of expenditure, we will continue to work with NCC to ensure that we procure the best prices available for units of energy and water and will set consumption reduction targets for each facility, utilising technology to reduce consumption, where possible.

We aim to reduce increased costs that have been essential to manage through the pandemic and hopefully be able to reduce spend on PPE (PERSONAL PROTECTIVE EQUIPMENT) across the estate and reducing current ventilation demands required to operate safely.

We will continue to monitor our staffing requirements required to deliver the service and ensure that we operate with an efficient but effective workforce.

Growing revenue:

Income growth will be driven in part by improved marketing, improved digital services and the performance of the contact (call) centre. We will deliver marketing campaigns to increase memberships and participation. Our online capability will improve which will support sales growth, new HIVE brand implementation for our cafes, and family activities.

The contact (call) centre team continue to improve customer service as we learn and evolve every day, the data collected will help us to develop this through analysis to identify trends used to inform improvements to services and processes.

Income figures and membership numbers indicate that proper investment can drive revenue growth within leisure facilities. With £65 million of capital investment coming to fruition over the next two years, the challenge will be for Ponteland, Morpeth and Berwick to significantly increase their income, without re-cycling memberships from other sites.

The new Ponteland Leisure Centre is a huge asset to Active. The 6 Lane 25m pool and the separate studio pool has increased our usable water space by 60% over the old pool. However, with the opening of Ponteland during a pandemic it has placed significant pressures on the LTS (Learn to Swim) scheme and the potential to maximise income owing to restricted class provision and reduced lesson capacity. Since opening in December 2020, the programme has increased its participation number from 537 to 675 at the end of May. Opportunities for growth in the lower Stage classes has been maximised with 99% occupancy in the Stage 1 classes, we are struggling to move them through the scheme fast enough to

keep up with demand. The easing of restrictions and the removal of the 15-minute cleaning breaks between lessons we can increase our capacity by 8 additional lessons per night without increasing our staffing costs allowing us to focus on class provision based on demand.

The new Berwick Leisure Centre with the more traditional 5 lane configuration and the Studio pool with the boom and moveable floor will allow us to utilise this for the pre-school framework, lower stages of LTS, adult lessons and the aquatic exercise provision whilst still offering a leisure pool experience and the capacity for customers to swim in the main pool.

The new Morpeth Leisure Centre will increase usable water space by 90%. With the Studio pools movable floor, we can utilise this to offer a wide range lessons and classes significantly increasing our offer for the Riverside members once the project has been completed.

It is anticipated that the design of the new facilities will also provide opportunities to increase income opportunities through working with partners to deliver services differently and realise new income streams that will be mutually beneficial to both AN and NCC

Certain areas in Northumberland have had huge investment in housing developments which will increase the footfall into our Leisure facilities within the communities.

Ensuring performance against budget profile:

Active Northumberland recognises that during these uncertain times it is imperative to be able to map performance against budget profile, especially as it is currently difficult to predict external factors that will affect performance in 2021-22. We will therefore work with the finance team from NCC to establish a financial model that will help with budget forecasting, utilising real time data pulled from our CRM system, to allow us to efficiently monitor and forecast budget performance.

This will be reinforced with monthly meetings between finance account managers and budget holders in order that there is sufficient two-way flow of information to understand performance against budget. This will also be underpinned through the introduction of a performance management framework, which will not only involve performance measurement systems and processes but also lay the foundations for managing people and the way they work across the Company.

Attracting external grant support:

Our employees have a wealth of health and wellbeing knowledge that can benefit the communities within the County. We will therefore continue and increase our contribution to consultative discussions with Northumberland County Council, NHS Trusts and other key partners to consider and further support new ways of providing sustainable services to improve public health, and by doing so reduce the rising demands on the health and social care system.

We recognise that community health and wellbeing issues differ throughout Northumberland as a result of the County's sociological perspective and demographic. Working collaboratively with the County's Town Councils, we can support the delivery of common social outcomes and form a foundation for communities to build on. We have already successfully obtained funding via partners such as Sport England to successfully deliver the School Games, Secondary Teacher Training and Mams on the Move, that play a vital role in our communities. We're committed to working with our partners to secure further grant support and support and deliver programmes in our communities that will have a worthwhile social impact.

In addition, strengthening our Service Level Agreements for the delivery of PESSPA within Northumberland's First, Primary, Middle, High and Special schools can increase the ability for attracting external grant support. Schools continued to support Service Level Agreements for next academic year and committed readily as we are a trusted, quality assured provider. Additional funding from DFE to deliver a Secondary Teacher Training programme has been secured for next academic year, as well as FA funding to deliver a girls' school/community football programme in the north of the county. Working in collaboration with RISE, the active partnership, we have also been able to secure additional funding to deliver School Games programmes.

Due to the pandemic's catastrophic effect on our revenue generating abilities, Active Northumberland and Northumberland County Council submitted a bid to the National Leisure Recovery Fund. We have been successful in our application and have been granted the maximum £750k, and this money is being distributed between the 2020/21 fiscal year, and that of 2021-22.

Capital Investment:

Delivery of the Capital programme continues to progress across Northumberland with the roll out the £65 million investment in sport and leisure facilities. Despite the challenges that many capital projects have experienced over the past 12 months due to the Covid-19 pandemic, leisure investment work has continued to deliver achieve its key milestones.

The announced investment continues to support a number of key policy objectives for both the Council and Active Northumberland including;

- Investment to address the issues associated with operating facilities that have exceeded their economic life expectancy and would require increased investment to do no more than maintain the facility as "fit for purpose" with the opportunity to incorporate energy conservation measures into the design of more economically operational facilities.
- New or improved facilities to provide excellent quality accommodation, providing more opportunities for more people to become more active, more often and create facilities which make a substantial contribution to the improvement of the health and well-being of the population that live, work or study in Northumberland

- New or improved facilities to address the regeneration of local areas and demonstrate the Councils commitment to providing Best Value services and facilities which are affordable and accessible for everyone and provide facilities that encourages participation from groups traditionally under-represented in sport and leisure activity.
- Aim to reduce subsidy for new or improved facilities where they require less funding from the Council (for revenue operations and the maintenance of the asset over its life).

Ponteland Leisure Centre

In November 2020 Ponteland Leisure opened its doors to the public for the first time. Frustratingly, due to restrictions Active were only able to provide a limited number of activities however, over the last few months and with the gradual lifting of restrictions all facilities have now opened to the public. The facility is still very much in its infancy and the team are continuing to work through a 12 month defect period with the wider project team in NCC.

Blyth Sports Centre Refurbishment

During 20/21 completed works have seen the opening of a new state of the art gym and 2 new fitness studios including a virtual fitness offer, Tranquillity Spa experience as well as fresh new changing facilities. In addition, the re-development now provides a new home for Northumberland Skills Service (Blyth area) providing a range of new opportunities for adult learners and a wider more holistic approach to learning and wellbeing.

The final phase of the £5m refurbishment will be completed in September 2021 which will conclude the final phase of the development and see the opening a new Hive café, soft play facilities, group cycling studio as well as a much-improved, welcoming reception experience.

Berwick Leisure Centre New Build

Designed to be built in 2 phases, phase 1 works are due for completion and opening in Autumn 2021. During 20/21 work has continued on the design and build aspects for the new leisure and swimming pool, Tranquillity Spa facilities, gym, 3 fitness studios, 4 rink indoor bowls facility, associated changing facilities and Adult Social Care provision. These facilities have been designed to meet both community and tourist needs, whilst complementing the current social care offer in Berwick. Externally the outdoor 3G pitch as completed with grant support from Football foundation and opened to the public in March 2021.

Phase 2 will commence on the completion of Phase 1 in autumn 2021 and will conclude the overall development by Summer 2022.

Morpeth Leisure Centre New Build

Site works have now commenced on the Morpeth's new £21 million leisure centre and community hub on Gas House Lane and is on schedule to open early 2023.

The new centre will include a six-lane swimming pool with spectator gallery, a learner pool, Soft play facilities, new Tranquillity spa facilities and a four-court sports hall. A state-of-the-art fitness suite will be located to the 1st floor and include a range of fitness experiences such as a Functional Training area as well as the first Technogym Bio-Circuit experience in the county. The centre will also see a much-improved fitness studio offer with a dedicated cycling studio and 2 large fitness studios to deliver an enhanced group exercise and community fitness activities. Our new front of house customer experience will provide a modern and welcoming cafe and reception hub.

The centre will also incorporate a new community services hub which will include the town's library, a customer service centre and an adult learning facility.

Newbiggin Sports & Community Centre Refurbishment

Work has continued to develop plans for the refurbishment at Newbiggin and during this year time has been spent on the design stage of the facility with plans approved in March 2021.

Work is due to start summer 2021 on a new £1.5 million pound scheme to refurbish and revitalise Newbiggin Sports and Community Centre with work expected to be complete in Spring 2022.

Working closely with Northumberland Communities Together (NCT) we are continuing to review a sustainable operating model for the refurbished facility, given the requirement to have a facility that meets specific community needs and create a facility that will foster greater community use.

Leisure Remedial Programme 2020/21

Active Northumberland continue to work closely with the Council's Property Services department to implement a Planned Preventative Maintenance (PPM) programme which in the first instance looks to address key remedial works identified in leisure site condition surveys.

The programme priorities have identified a number of key remedial works following a review of both condition survey priorities and on-site operational input where any backlog maintenance issues could have a significant impact on key operational and financial aspirations, reduced levels of customer satisfaction and unplanned closures.

Re-decoration and Maintenance

In August 2020, an internal maintenance team was created to undertake a range of re-decoration and site maintenance priorities. Due to many sites remaining closed or having limited access for customers due to covid restrictions, it was an ideal opportunity to refresh many tired facilities within minimal impact to the customer. To date a significant amount of re-

decoration has been carried out at a number of larger sites including Concordia Leisure Centre, Ashington Leisure Centre, Prudhoe Waterworld and Wentworth Leisure Centre. The trial period has proved very effective in bringing some aspects of our estate up to date, giving them a much-needed refresh. Work continues across the estate in continuing this revitalization work.