apse membership resources

Briefing 09-01 January 2009

Sports and Leisure: Trend analysis

This briefing provides details on the performance information available from APSE's performance networks service looking at performance indicators and current policy issues for councils who deliver sports and manage leisure facilities.

Key issues

- Overall subsidy per head continues to fall with the average now standing at £1.48. However subsidies for those with wet facilities continue to rise.
- Combined standard wet and dry facilities within Trusts receive a lower subsidy than their in–house equivalents, however interestingly the difference disappears when all facilities are counted.
- Usage of in-house facilities runs slightly above those for Trusts and in-house absence levels are slightly less.

Introduction

The APSE Performance Networks performance indicators for Sports and Leisure Facility Management were first piloted in 1998/99. We now have ten years of data available for analysis and many Authorities who have submitted returns for their leisure facilities continuously over that period will have a rich vein of information to interrogate and identify performance trends and improvement targets.

Due to timing, this report covers the 392 facilities included within the initial first batch of returns for 2007/08. Over the last 10 years 1118 separate facilities have returned data. The value of benchmarking within a performance management framework is as important as ever with the need to justify spending levels and determine how successful different delivery options are in achieving desired outcomes of efficiency, healthy lifestyles and social inclusion as well as the standard measurement of economy.

The data included in this report is referred to as year 10 in Performance Networks and relates to the financial year 2007/08.

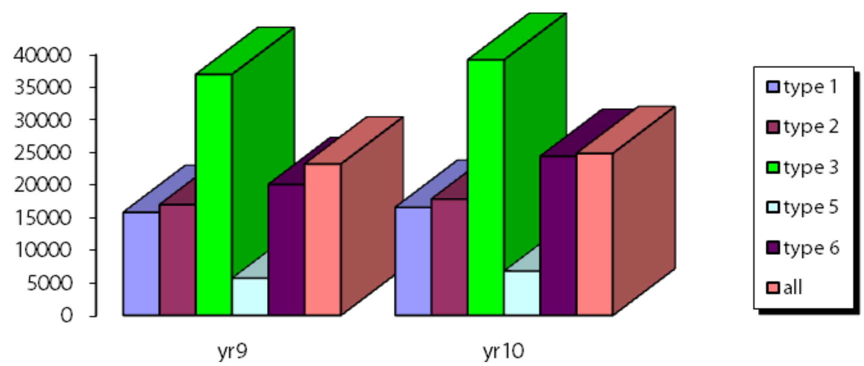
Analysis

The data outputs are mostly informed by cost, income receipts and throughput.

Over the last 10 years members have carried out a lot of work to give an increased confidence to the throughput figures with a default usage factoring in place for group bookings and a separate categorisation of non-participants. Facilities are grouped as follows:

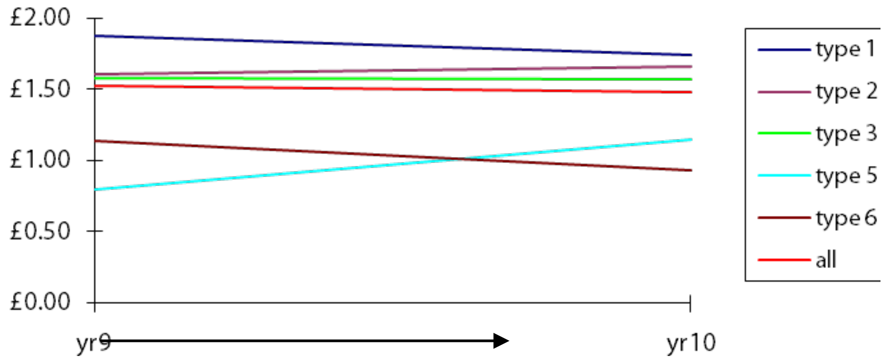
Type 1 facilities (standard - wet only)
Type 2 facilities (standard - dry only)
Type 3 facilities (standard - wet and dry)
Type 4 facilities (dual use - wet only)
Type 5 facilities (dual use - dry only)
Type 6 facilities (dual use - wet and dry)

In all five principal categories (excluding the relatively small sample within type 4), there has been a consistent increase in recorded non participatory usage (spectators) compared to last year, averaging 7% across all submissions. Although not assisting targets of increasing health and activity, it is a reflection of the wider importance of leisure facilities to community life.



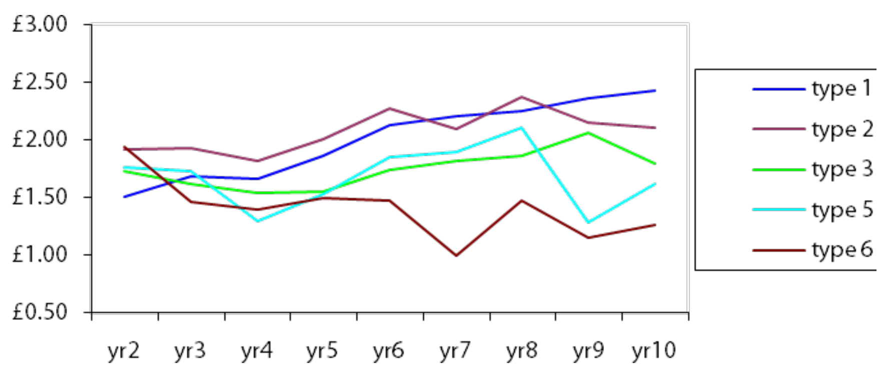
Across the board, average opening hours rose by 1% although this masks the fact that increases in wet and wet/dry categories were offset by small reductions in the dry facilities (types 2 & 5). Ironically although every individual type average changed, the overall average usage per opening hour remained unchanged at exactly 41.86.

The average subsidy per head levels are measured in different ways within the indicator suite. Taking subsidy per visit (PI11a) which excludes central recharges, but includes all usage categories, we see a reduction in overall average subsidy from £1.53 in 06/07 to £1.48 in 07/08. This would have been a considerably greater reduction but for a significant increase in type 5 (dual use dry facilities) which also saw a large rise in the facilities submitting data this year.

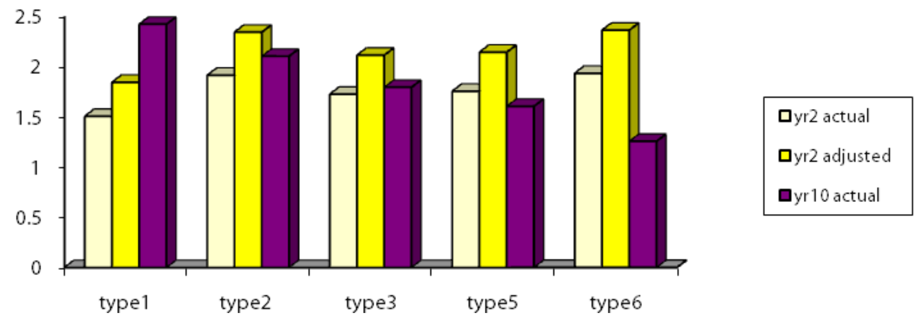


We would also point out that subsidies would be expected to rise on straight year-on-year comparison given annual inflation (without special consideration of items such as utilities). We previously have used the Treasury index figure (GDP inflator) to compare values from different years and this would have given an anticipated rise of 2.91% on the 2006/07 subsidy figure. Since this represents an anticipated subsidy figure for 2007/08 of £1.57 the saving achieved this year in the average subsidy figure for leisure facilities is just under 10p per visit.

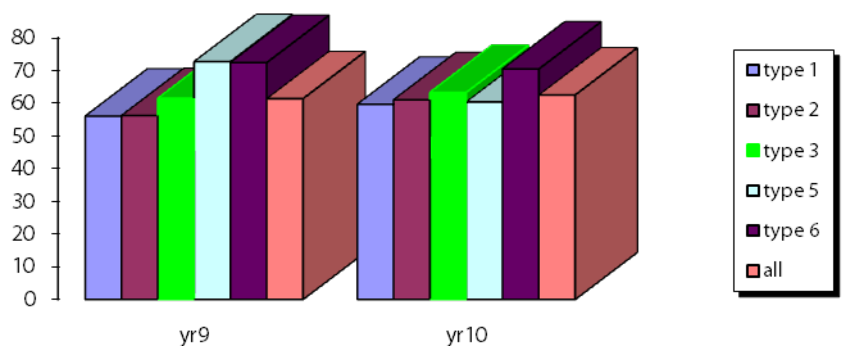
Last year we looked at PI01a, (subsidy per visit), which includes central charges and all active and non participatory community use but excludes free school usage (year 1 is generally discounted for the purpose of trend analysis given the early developing nature of the data collection).



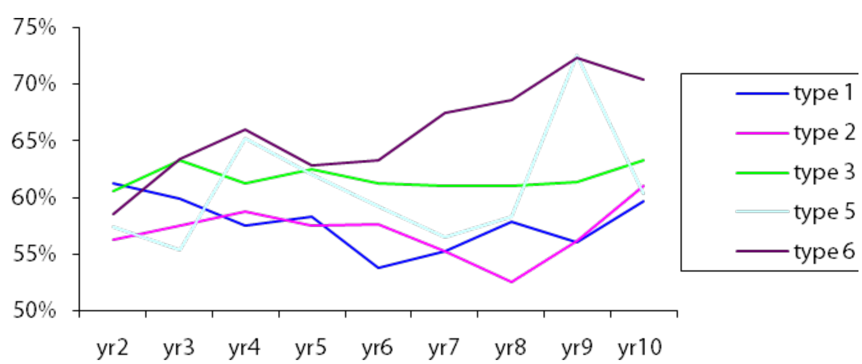
Although types 2 & 3 have seen a reducing subsidy by this measure, the dual facilities again see rising levels of subsidy, reversing the effect of 2006/07. Using the Treasury GDP inflator to adjust the yr 2 base figure we have compared the current average subsidies of the individual facility types. All except wet facilities (type 1) reflect a significant reduction in subsidy in real terms.



PI03 the operational recovery ratio is often used as an efficiency measure, assessing operational expenditure recovered through customer receipts. This has been constant or improved on last year in all cases except type 5. The greater sample size in type 5 has brought the recovery rate in line with the other dry facilities in type 2 and this would be quite logical as authorities report convergence of activity pricing in dual use and mainstream public facilities.

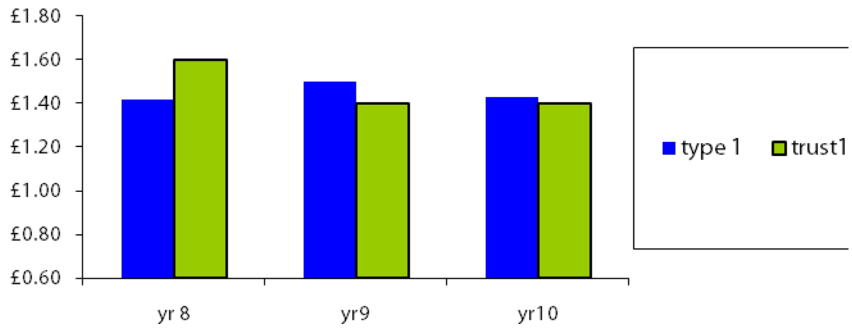


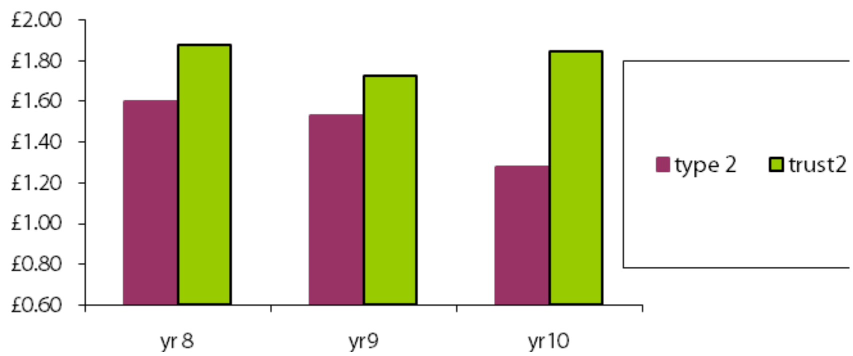
Again, looking back to year 2 we see recovery rates demonstrating a clear trend of improvement with only the dry facilities in types 2 & 5 falling back from 2006/07 levels.

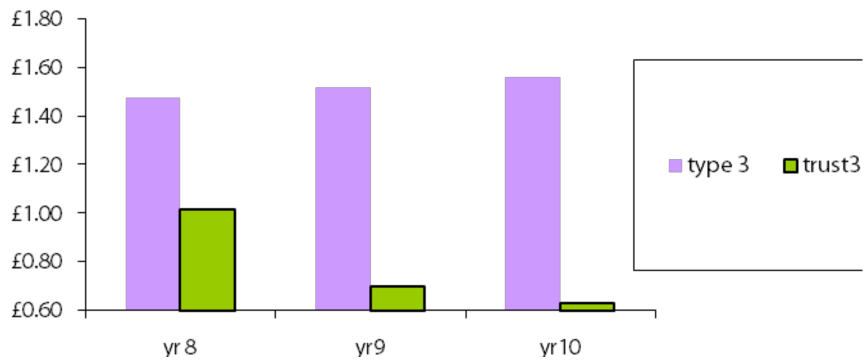


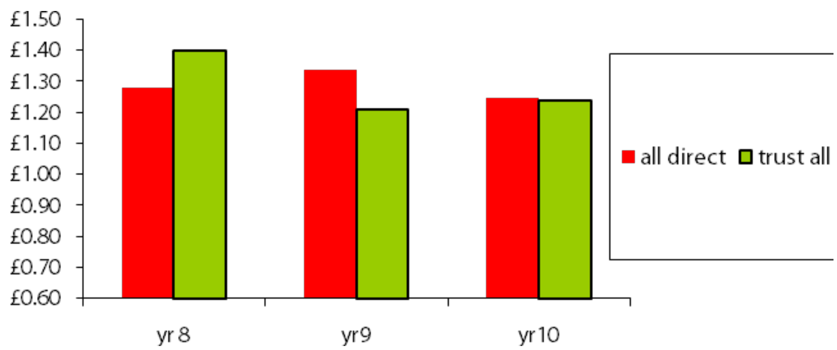
Given the continuing interest in the different management options for leisure, we have again extracted some analysis of direct provision and Leisure Trusts. The economy based indicators are inevitably distorted by the different cost structures. The different taxation arrangements and Non-Domestic Rates exemption will undoubtedly give Trusts an advantage on many of the cost based indicators and Trust operated facilities are regularly best performers in these indicators. To compare management efficiency more fully this would require a more detailed assessment that takes account of the different financial regimes.

However, the cost effectiveness to the Authority can be valued in part by the operational subsidy per visit figure we looked at earlier (PI11a). We have extracted data from those facilities managed by Trusts which have submitted continuously over the last three years and compared those to continuous submissions from mainstream authorities over the same period. Our qualifying criteria meant that we compared the results of 210 directly run facilities with 44 facilities operated by Leisure Trusts.



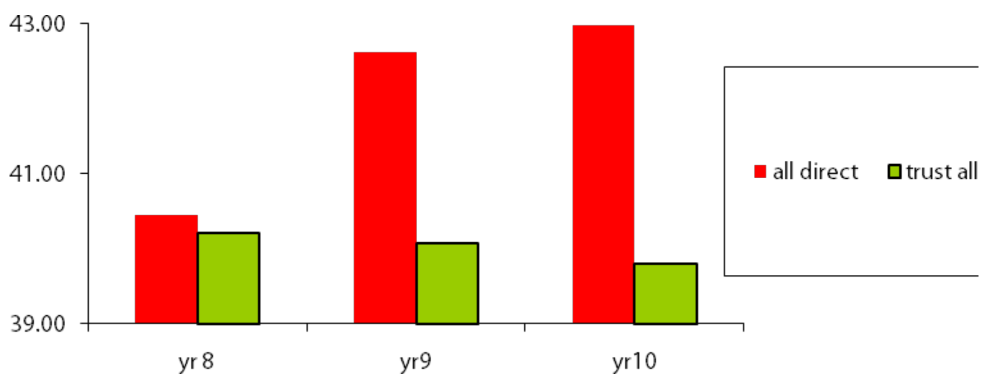




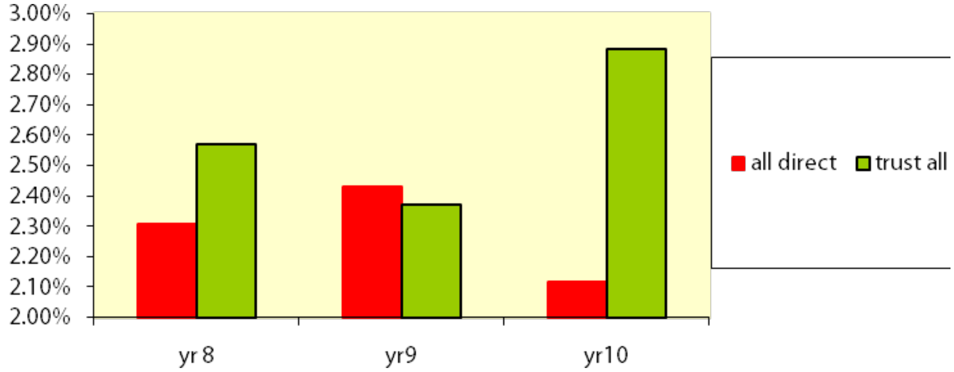


It is apparent that the greatest reductions in subsidy have been achieved by Trusts in the multi-purpose wet and dry facilities. Dry facilities in our sample have a lower subsidy in the mainstream facilities. Overall the average has converged and although the sample of continuous facilities is not large enough to be conclusive it does once again point to some interesting areas for further investigation.

We have then looked at the same facilities in terms of usage per opening hour (PI 31) and whilst similar, an overall three year trend indicated a slight increase in usage in directly run facilities and a slight reduction in those operated by Trusts.



Looking at the same comparison in terms of PI30 (all staff absence) we see further confirmation that although the Trust managed facilities have significantly better performance in the multi-purpose type 3 facilities this is not reflected in type 1 and type 2. Overall, average absence levels were recorded as higher in the sample of Trust managed facilities.



Future focus

Since last year we have put forward advocacy arguments stressing the value of municipal leisure facilities, whatever the management vehicle. Evidence from the 10 year bank of benchmarking data continues to be essential to these arguments.

Our view is that benchmarking is genuinely evidence based and is a logical part of the local government programme of continuous improvement, sourcing informed comparisons, learning from the leisure network and setting new challenging targets for the future.

Further assistance is available to individual authorities by way of direction of travel statements showing 5 year trends against the service average for cost, quality and customer satisfaction, all available through the APSE performance networks web portal

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