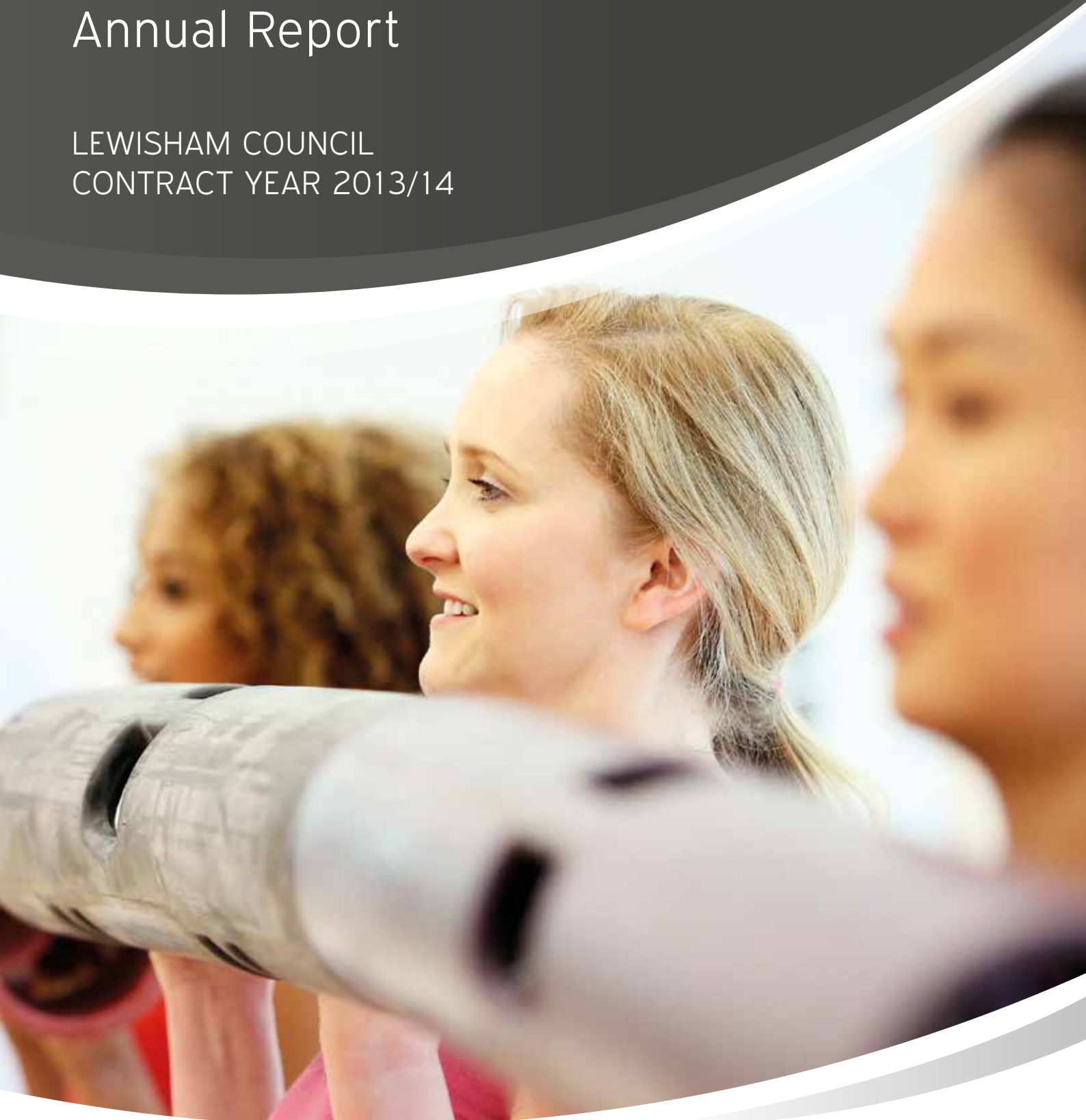


Fusion Lifestyle

Annual Report

LEWISHAM COUNCIL
CONTRACT YEAR 2013/14



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Introduction from our Chief Executive

On behalf of the Trustees and staff of Fusion Lifestyle, I am pleased to welcome you to our second annual report for our partnership with Lewisham Council. Fusion Lifestyle is a registered charity which exists to provide the very highest quality sport and active leisure services and facilities to be enjoyed by all members of the community. We are intent on making our services available at affordable prices to as many people as possible, and on encouraging access for everyone, overcoming barriers to participation, financial or otherwise. Since we are a charity, all our incoming resources, our time and our efforts are invested in continuing to enhance our service and facilities.

The number of people using the services and facilities has increased substantially over the last year, with all key target demographic groups showing increases, in particular BME, disabled, women and 60+ target groups all showing 100% plus growth. Our teaching programmes continue to go from strength to strength with over 140,000 swimming lessons delivered to children and over 1,000 group exercise classes delivered per month.

The portfolio of sport and leisure facilities in Lewisham has seen continued investment throughout 2013/14: we have completed the £1.5m redevelopment of Wavelengths Leisure Centre; we opened the state of the art Glass Mill Leisure Centre in the heart of Lewisham and welcomed Bellingham Leisure and Lifestyle Centre into the Lewisham contract. We believe that this portfolio of first-rate new facilities provides Fusion Lifestyle with an unbeatable platform to further extend the scope and reach of our services. In the next 12 months we will continue to drive up participation, develop our programmes and activities and provide new opportunities for everyone in Lewisham.

Peter Kay
Chief Executive

Fusion achievements and performance

Fusion achieved another year of positive growth increasing turnover by 22% and delivering a surplus of £2m. Our investments in the portfolio continued in 2013 with £7m of capital improvements.

Over 2013, Fusion-managed facilities received over 15m visits and we achieved increases in participation levels in all of our target groups. Our sports and community development teams continued to build partnerships with our local communities and their efforts enabled Fusion to raise nearly £900k in external funding.

During 2013, we were awarded a 10-year contract to manage Bedford Borough Council's leisure facilities. We also secured the future of White Hart Lane Community Sports Centre with a 50-year lease and capital investment of £3.5m to transform the facility for years to come. Fusion team has again delivered like-for-like growth of 18% with significant improvements in income streams.

Finance

Fusion has successfully delivered a further year of growth, with turnover rising to £68m. This represents a 22% year-on-year growth driven by new partnerships, significant revenue uplifts from refurbished sites and healthy like-for-like growth across the portfolio. Cash balances remain strong at over £4.2m. The company has maintained its operating margins whilst undertaking major restructuring and redevelopment activity in its new contracts.

Net income



Net surplus



Public Benefit

Fusion seeks to promote sport and active leisure participation to the widest possible community, and to engage positively and inclusively with those who do not normally take part in active leisure. We carry out a vibrant programme of events within and beyond our sport and leisure facilities.

In 2013, these included:

- Swimathon across 39 swimming pools with over 1,100 swimmers and raising over £130,000 for Marie Curie Cancer Care
- Crisis "Winter Dip" an outdoor winter swim event which raised over £12,000 for the homeless
- Participation in other national fund raising and awareness events including Race for Life, Children in Need and Sports Relief Miles
- Organisation and support for local fun runs, five-a-side tournaments, health events, school fares and local authority events
- Recruitment of 100 volunteers for the London Marathon
- 300 open days where the local community are invited to use facilities free of charge
- Get Moving Campaign provided by Public Health Lewisham, 10 weeks of free exercise classes targeting inactive people

People

Fusion proudly employs over 3,000 team members delivering services across our portfolio. Throughout 2013, the Fusion Academy has gone from strength to strength by providing training, support and succession pathways for all employees at all levels of the organisation. Some of the successes include:

- Online Fusion Academy and class room based training
- Over 100 staff enrolled in Fusion's apprenticeship scheme
- Launch of service delivery programme "Service Excellence"
- Launch of Team Leader apprentice programme
- Launch of new work experience programme
- Over 20,000 successful courses completed in 2013
- 10,000 CPD sessions

Introduction to the Fusion contract in Lewisham

This year saw the much anticipated opening of the Glass Mill Leisure Centre, a £multimillion state of the art Leisure facility which replaced Ladywell Leisure Centre. This opened in July and has proved extremely popular with the local community.

We are proud to operate the full range of facilities across the borough and over 2013/14 have been operating the following locations:

- Forest Hill Pools
- Forest Hill School Sports Centre
- Ladywell Arena
- Lewisham Indoor Bowls Centre
- The Bridge Leisure Centre
- Warren Avenue Playing Fields
- Wavelengths Leisure Centre

Further additions to the contract in 2013 have been

- Bellingham Leisure and Lifestyle Centre
- Glass Mill Leisure Centre

Closures in 2013 include:

- Ladywell Leisure Centre

Annual performance review 2013/14



The following sections will cover the range of performance areas of the wider contract delivery for the period of April 2013 to March 2014. The areas that will be covered are as follows:

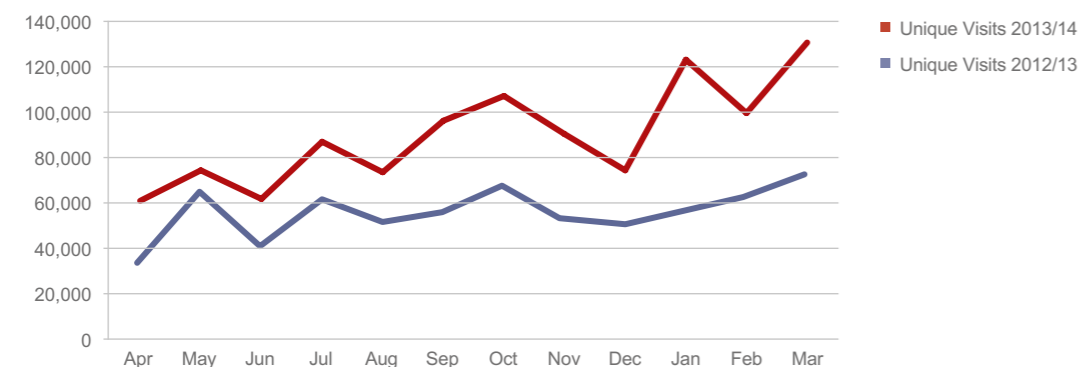
- Annual service planning
- Participation by activity
- Participation by target group
- Customer satisfaction and feedback
- User Surveys
- Environmental impact
- Health and safety
- Staff training
- Sports and community development

Annual service planning

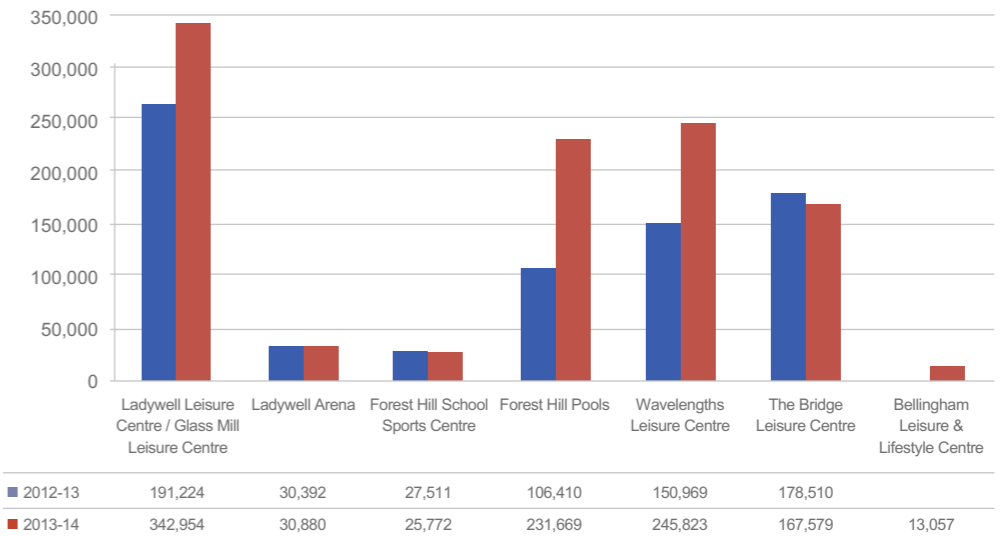
During 2013/14 Fusion has been working to an agreed annual service plan which covers all of the areas that will be reported upon within this annual review. The annual service plan is provided to Council officers by 31 December each year in draft form and then refined as a partnership to reflect both Fusion's and the Council's key aims and objectives over the forthcoming contract year. Once agreed this service plan lays the path for all planned activity over the next 12 months and Fusion reports frequently to officers as to progress through its monthly and quarterly client meeting cycle. Furthermore the service plan each year will reflect the key targets and will take into consideration the needs and views of the wider spectrum of local stakeholders, as part of Fusion's committed community approach.

Participation by activity

Participation has seen a steady increase over the 12 month period with all areas showing a positive uplift, with a total of 1.1 million unique visits. Junior activities and classes and courses have done particularly well with both showing over 150% uplift. In part this can be attributed to delivering over 250 classes per week throughout the centres.



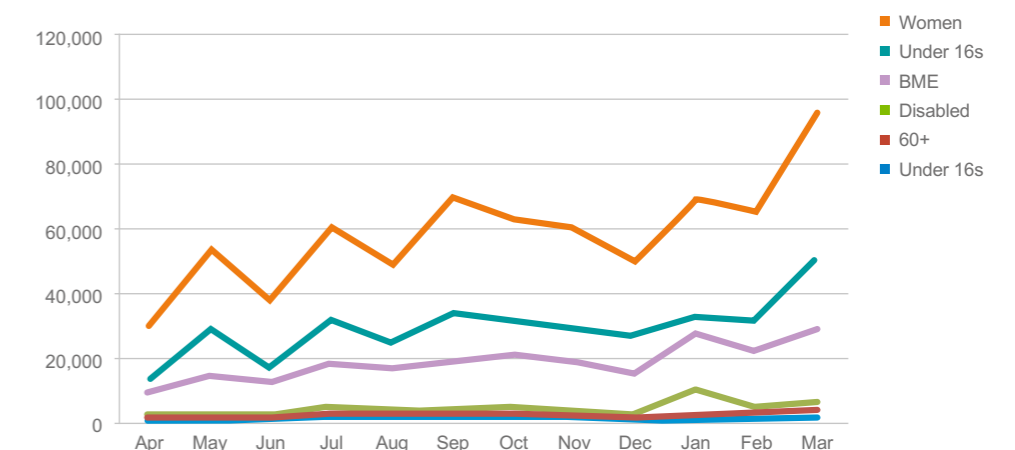
Participation by centre



Participation by target group

Unique visits across the target groups has been positive with all groups seeing an uplift.

- 60+ has seen a 150% uplift
- Disabled by 179%
- BME by 202%
- U16s by 33%, and
- Women by 140%



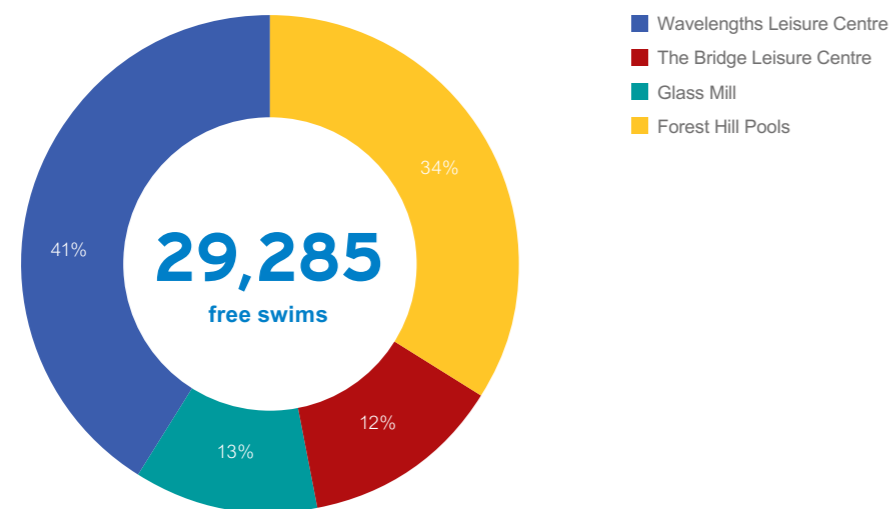
Be Active

Be Active is a leisure funding scheme designed to allow all members of the community access to leisure facilities. Be Active caters for a wide range of people and provides greater discounts. 30,921 activities have taken place in 2013/14 under the Be Active scheme and there are 414 Be Active members:

- 20,360 gym users
- 30,921 visits
- 10,253 swimmers
- 152 track users, and
- 156 users taking part in a variety of other activities.

Free swimming

Free swimming is an initiative for those residents aged 16 and under and 60 and over. Residents within these age brackets, with a Lewisham library card, can use any of the local leisure centre pools for free during public or general swimming sessions. The free swimming initiative has gone very well across the contract with 29,285 free swims during the past 12 months, which is 3% more than 2012/13.



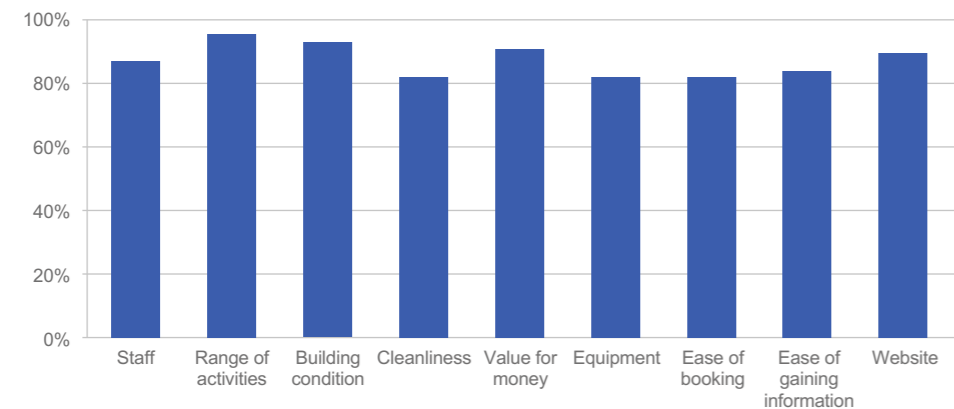
Customer satisfaction and feedback

Please Tell Us What You Think feedback

The contract has had 2,715 Please Tell Us What You Think cards completed during 2013/4. This gives an average contract score of 88% across the nine sections, an increase of 8% with improvements across each section. Our target remains 100% for staffing and 95% for all other sections.

April 2013 – March 2014 (average scores)

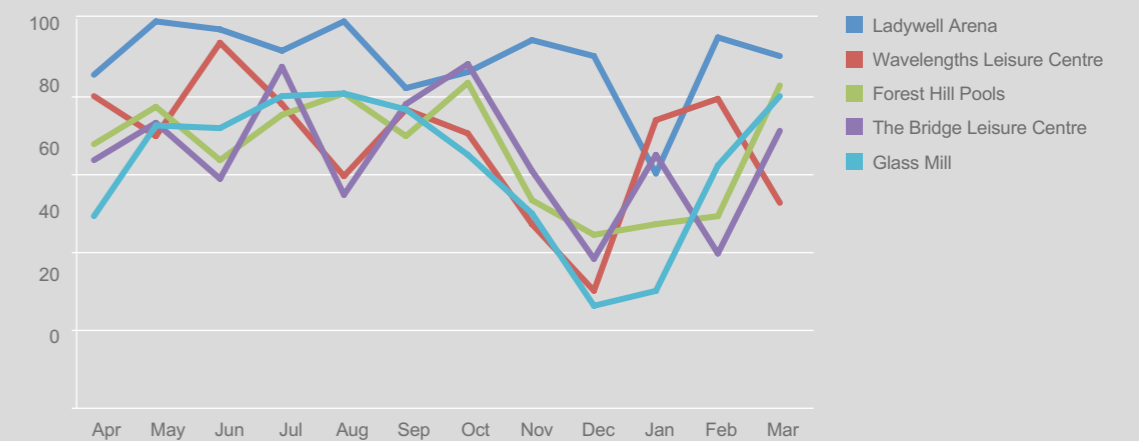
- Staff **87%**
- Range of activities **94%**
- Building condition **93%**
- Cleanliness **81%**
- Value for money **93%**
- Equipment **84%**
- Ease of booking **83%**
- Ease of gaining information **84%**
- Website **89%**



Mystery visit programme

All centres are now benefiting from a formal monthly mystery visit programme which assesses a number of criteria. The scores are compared across the group and resultant action plans put in place to ensure that each section demonstrates monthly improvement. The criteria includes general arrival, welcome, activities, catering, changing rooms, a membership enquiry, a telephone query and the website. This provides an overall score. All centres have seen improvements with overall scores ranging from 95% at Wavelengths to 76% at Forest Hill School.

MYSTERY VISIT SCORES



User Surveys

A total of 1,528 user surveys were undertaken across five centres during July 2013. The research was designed to investigate attitudes and behaviour around physical activity and exercise in general. The User Survey results will be used in planning for the future.

- The majority of those surveyed stated they visited Forest Hill Pools, The Bridge and Wavelengths weekly whilst users of Glass Mill and Ladywell Arena used the site 2-3 times a week.
- 68% of those surveyed stated the centre they were using was the nearest to their home and travelled between 0-2 miles to reach us.
- The majority of the sample (35%) used the centres for the gym at all but The Bridge, where 49% of users who use the centre do so for the swimming pool.
- Customer satisfaction ranked highest for the friendliness of staff (40%) at Forest Hill Pools, Ladywell Arena and The Bridge, whilst Glass Mill users were most satisfied with the cleanliness of the facility (67%) and Wavelengths users with the standard of coaching/tuition (31%).
- Forest Hill Pools and Ladywell Arena customers felt the quality of equipment was the most important aspect of their experience (60%) whilst Glass Mill, The Bridge and Wavelengths valued cleanliness of the facility of most importance (53%).

68%

of users live within 2 miles of a leisure centre.

60%

Forest Hill Pools and Ladywell Arena customers felt the quality of equipment was the most important aspect of their experience

53%

Glass Mill, The Bridge and Wavelengths valued cleanliness of the facility of most importance

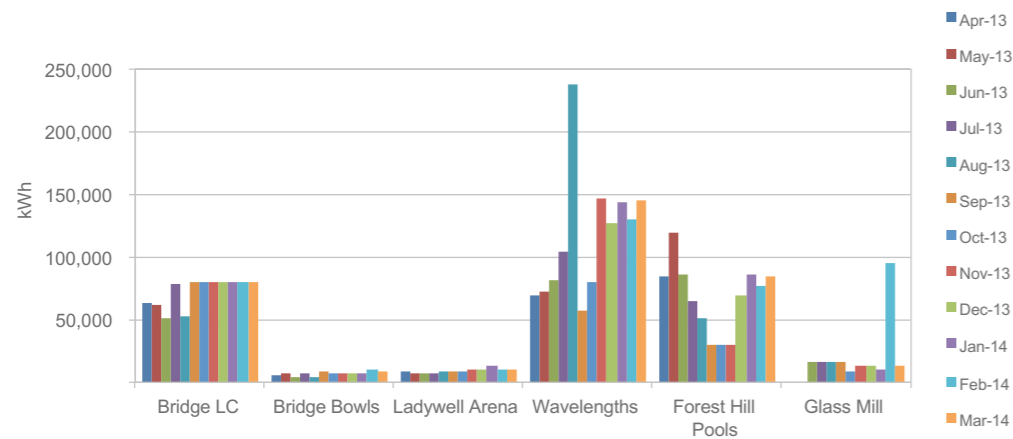


Environmental performance

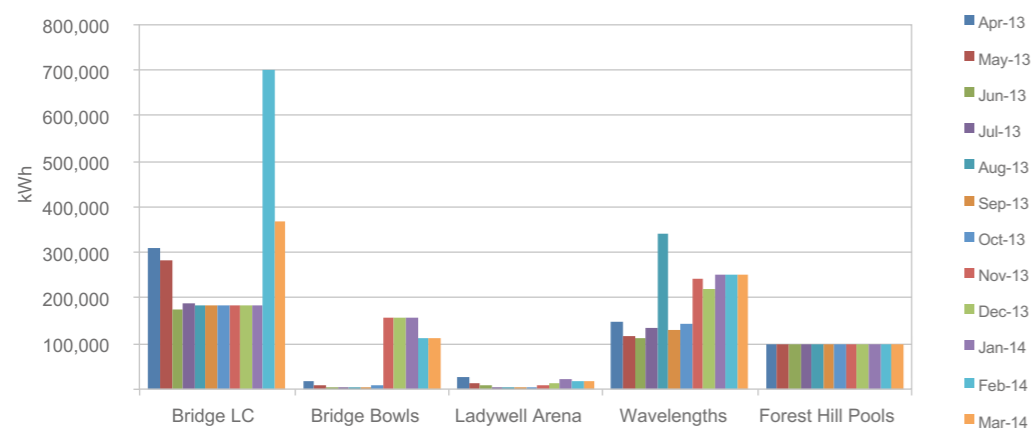
Headline performance

All leisure centres have seen lower than expected consumption figures on both electricity and water use. This has been partly due to the on-going staff training but has also been positively affected by new maintenance regimes and upgrade works in Wavelengths Leisure Centre. Gas consumption has been higher than expected this year across the contract.

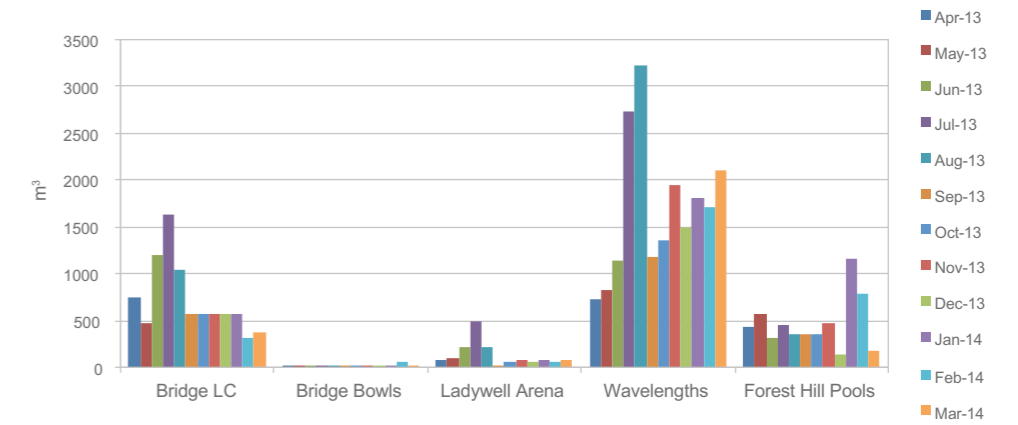
ELECTRICITY USAGE – LEWISHAM 2013/14



GAS USAGE – LEWISHAM 2013/14



WATER USAGE – LEWISHAM 2013/14

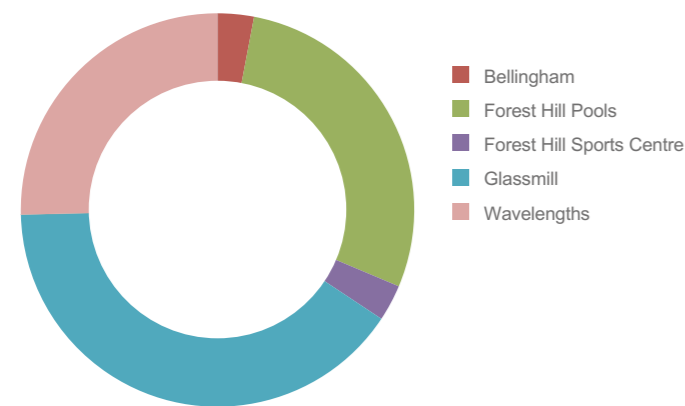


Health and Safety

Incidents

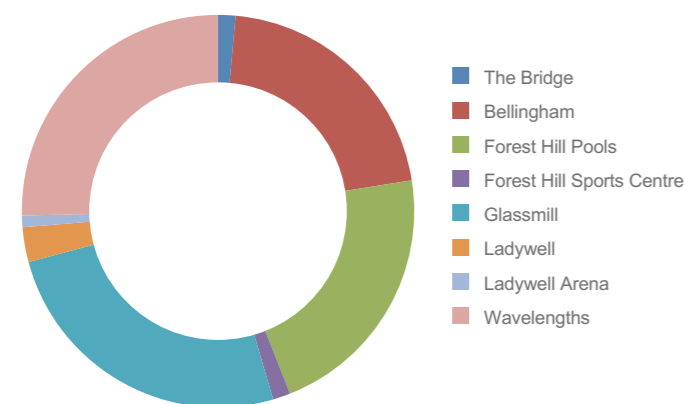
Incidents are categorised into six rating levels: service disruption or building closure, accidental damage, vandalism, theft or loss of belongings, violence or anti-social behaviour and fatality. During the 12 months we have seen a total of 67 incidents with 16% being cases of anti-social behaviour, 70% were theft related, 12% being service disruption, 1% of cases were accidental damage and 1% cases of vandalism. This is a contract-wide average of 0.22 incidents per 10,000 customer visits.

NUMBER OF INCIDENTS PER CENTRE



Accidents

Accidents are categorised into six levels of severity: near miss, minor first aid, cuts and bruises, hospital with minor injuries, hospital with major injuries and fatality. During the 12 months we have seen a total of 209 accidents with 18% being near misses, 65% requiring minor first aid, 12% were cuts and bruises and 4% requiring hospitalisation with minor injuries and 1% requiring hospitalisation for major injuries. This is an average of 0.61 accidents per 10,000 customer visits.



Staff Training

Qualified staff in Lewisham

In total 4896 hours of training was delivered to staff throughout 2013/14 with 72% of staff across the Lewisham contract are residents of Lewisham. Within the Lewisham contract Fusion have 40 staff that are Amateur Swimming Association qualified, 22 with a First Aid at Work qualification, 51 with a National Pool Lifeguard Qualification (NPLQ) and 14 with a Pool Plant Operators qualification. A team of Fusion-employed Technical Trainers ensure regular courses are run and that qualifications are renewed as and when required. All staff qualifications are centrally tracked and centres receive monthly, bespoke Fusion reports. Fusion Technical Trainers have delivered a number of NPLQ courses in Lewisham in the last 12 months, with 23 employees completing this training. Courses are open to external candidates and in some cases are put on specifically to attract local residents. Local residents will be encouraged to book onto the courses so long as the spaces are not all required for Fusion staff. Fusion has seven NPLQ Trainer Assessors in Lewisham, all of which have been with the business for over a year.

Mandatory staff training

All Fusion lifeguards complete two hours of Continuous Professional Development training every month. These weekly sessions cover all aspects of a recreation assistant role including water safety, first aid, incident management and dry-side procedures. In Lewisham this amounts to 1,838 hours of training for the period April 2013 to March 2014.

Apprenticeships in Lewisham

Within the London Borough of Lewisham, we have 8 employees who are studying towards a National Vocational Qualification in a leisure-related subject alongside 12 who have completed the course. All 8 employees currently undertaking the course are receiving full funding to cover the cost of their apprenticeship and these apprenticeships typically take a year to complete and, once qualified, employees can diversify their role within the centres. Currently all employees are working towards completion of fitness apprenticeships, Level 2 or Level 3. A Level 3 programme allows the employee to do personal training sessions upon successful completion of the course. Fusion encourages all staff to aid their professional development by offering various apprenticeships to suit their chosen career path and offering on-going development opportunities.

Automated External Defibrillation training

There are 20 Fusion employees in Lewisham who are qualified to operate an Automated External Defibrillator. All centres have a defibrillator, with at least one qualified member on duty at all times.

Sports and community development

Exercise on referral

Exercise on referral is a programme run at Lewisham leisure centres in partnership with NHS Lewisham and Lewisham Council. The scheme allows eligible residents discounted use of the leisure centre to help improve their health and wellbeing. Residents are prescribed exercise by their GP and can access tailored classes led by experienced and specially qualified instructors.

This year we have had 2,186 referrals sent out to four centres (Wavelengths, Ladywell/Glass Mill, the Bridge and Forest Hill), and of them 1557 attended an initial group assessment of which 9.2% completed the course. This relates to approximately 71% of referrals received. Of the four centres, Ladywell/Glass Mill Leisure Centre is the most popular receiving the most referrals. This is most likely to be due to the central location within the borough. Wavelengths Leisure Centre is the second most popular centre. During the year, we have successfully transferred the scheme from Ladywell Leisure Centre to Glass Mill Leisure centre, we also added 4 new classes to the timetable to cope with the popularity of the scheme.



Case Study – Jacqueline

After being referred to the programme by her GP to help with her arthritis and to support weight loss, Jacqueline went on to complete the full 12 weeks of the programme. Attending gym sessions at Glass Mill, she worked closely with Wayne Hanson, her regular instructor. Wayne's role was to coach and motivate Jacqueline through each exercise and ensure she received maximum benefit from each session. "Wayne was very helpful. He knew a lot about each machine and was able to tell me the best exercise to do with each one. With his help and support I was even able to increase my speed on the treadmill."

The sessions do not just focus on fitness, taking in nutritional advice and supporting with the members overall state of mind. "By attending the sessions I have become motivated to lose weight, and eat healthier too. My husband also attends using the Be Active programme so we both use the gym and attend classes outside of my Exercise on Referral sessions. The reception staff are really polite and always take an interest in what we are doing. Glass Mill is a great place to come. It's clean, bright and with plenty of space. We even treat ourselves in the café from time to time."

Funded schemes

Over the last 12 months the centres have been able to offer some additional activities that have been made possible through Fusion's commitment to exploring external funding opportunities. The funding, totalling £23,699 has come from a variety of sources and has allowed us to run activities for all ages. Sports Development has also generated a further £24,760.70 worth of income in Lewisham.

Softball

This is now the second year Softball has been run at The Bridge. Following the success of last year the Softball group formed a club called the Lewisham Lions. During the summer months they bring an average of 20 users each week playing Softball at the centre.

Get Moving

Through funding provided by Public Health Lewisham, we have supported the Get Moving Scheme in the Borough. The Get Moving Scheme targets inactive people and gives them 10 weeks of free exercise classes, which have varied from Bootcamp to Aqua Zumba.

Cricket

The Bridge Leisure Centre received £24,000 from Viridor to replace and refurbish the cricket nets. This has increased the overall usability of the facility and enabled us to run weekly net sessions and matches. The cricket pitches have been the home to Blue Star Cricket Club and Sabina Cricket Club during 2013 with Streatham 3rd XI coming on board for the 2014 season.

Sponsorship

During 2013/14, Fusion has provided a variety of support to the community to the value of circa £15,000 - for example, in-kind venue hire for the Physical Activity Network.

Lewisham Schools Cross Country Championship

Warren Avenue Playing Fields hosted the Lewisham Schools Cross Country Championships in November 2013 and February 2014. The event was run by Kent AC and supported by Fusion who provided the changing facilities and site use for free to the competing schools. The event was open to pupils in year 7 and 8 with over 200 competitors taking part on each occasion.

Lewisham People's Day

Fusion were a sponsor at Lewisham Peoples Day, providing an interactive Zumba demonstration class. At our marquee we also hosted a variety of fitness challenge and had staff on hand to issue information on the centres and the products we offer.

Charity events

Glass Mill held two special events to support Swimathon 2014 and Sport Relief 2014. The first of these two events saw 1980 Olympic Gold medallist Duncan Goodhew visit the centre for the official launch of the Swimathon event. Olympic Gold medallist Ian Thorpe also visited Glass Mill to film a number of activities as part Sport Relief.

Working with priority groups

Older People

Fusion supported an event hosted by the Positive ageing council at Deptford Lounge (Deptford library). Free 60+ dance classes were offered as part of the wider 60+ activity day. This event proved a great success and has now seen a new partnership formed with Let's All Dance to launch this as an ongoing activity at one of the centres in 2014/15.

Disabled

An InstructAbility course runs at The Bridge with 12 participants, three of whom will be starting a volunteer placement in 2014/15 to become fitness instructors. All three will be tasked in growing disabled participation in the centre and paired with a Fusion instructor to provide them additional support and guidance.

RLSB (Royal London Society for Blind People) run 12 monthly multi sports days at The Bridge as well as session during school holidays. On average 20 people attend each session with attendance increasing throughout the year.

BME Groups

In October, as part of Black History Month, Glass Mill Leisure Centre hosted a cultural event which featured a variety of activity covering African poetry; Vietnamese food tasting and special women only taster sessions for specific groups.

Young People

Prendergast Vale School have been using the climbing wall at Glass Mill. It has been a great success and additional terms have been booked for the pupils with each session having an average of 16 pupils attend as part of their PE programme. A local scout group have also used the climbing wall on numerous occasions bringing the maximum number permitted of 16 children.



Looking forward to 2014/15



Exciting developments at Glass Mill

The long awaited opening of Glass Mill Leisure Centre was greeted with great excitement by residents and community groups alike. Throughout 2013/14 the centre has seen record numbers of users and has proven to be the most popular facility throughout Lewisham. In this time we continued to monitor customer feedback and usage of the facility and recognised the need to adjust the layout of the Gym. We are therefore creating new, bigger dedicated zones for the key parts of the gym which will ensure users of the centre are able to participate in their desired activity in the best possible surroundings.

Fusion also took over the management of Warren Avenue Playing Fields in December 2012. During this time we have worked closely with our key partner, Lewisham Youth, to increase participation recording 1,400 visits to the site. Fusion will continue to encourage participation at the site in the coming months with the addition of afternoon and holiday activities.

Annual service planning 2014/15

The new service plan for the forthcoming contract year is now finalised and agreed with Council officers and will cover the key, contractual areas plus a wider view of Fusion aspirations and plans for the 12 month period. As in 2013/14, the plan will be considered and shaped to reflect the needs and objectives of the local community and incorporates Lewisham's aims and objectives in line with partnership commitment to the Council.

Financial

- To deliver a 5% year-on-year increase in revenue like for like
- To ensure that pricing structures and levels across the facilities are appropriate

Participation

- To deliver a 5% year-on-year increase in general participation
- To deliver a 10% year-on-year increase in participation by users aged under 16
- To deliver a 10% year-on-year increase in participation by users from BME groups
- To deliver a 10% year-on-year increase in participation by disabled users
- To deliver a 10% year-on-year increase in participation by 60+ users
- To deliver a 5% year-on-year increase in participation by female users

Customer Satisfaction

- To deliver a customer satisfaction rate of 95% (PTUWUT and feedback) of the leisure facilities
- To deliver a reduction of at least 5% in annualised attrition levels in pre-paid memberships

Health and Safety

- To ensure 100% compliance with Fusion health and safety policies, procedures and contractual requirements with Lewisham Council
- Facility Management
- To achieve Base Camp inspection compliance of 100% across all facilities
- To maximise energy efficiency and reduce carbon emissions by 3% per annum
- To reduce general refuse by 20% and to increase recycling waste by 20% by March 2015
- To ensure PTUWYT cleaning scores of 85% are achieved at all times
- To ensure that high standards of repair and maintenance are achieved at all times
- To maintain Quest and IFI accreditation at the contracted score at all centres

Staffing

- Increase in training attendance each quarter by 10% across the division
- To demonstrate year-on-year staff satisfaction improvement across all facilities
- To ensure that the Fusion workforce in Lewisham is a representative as possible of the local community

Marketing

- To deliver a pro-active approach to PR, such that facility and service successes are communicated and celebrated
- To deliver a 10% increase in total memberships held
- To ensure that the products and services offered by the leisure facilities are innovative and attractive

Sports and Community Development

- To develop positive and pro-active partnerships with key local stakeholders
- To develop positive and pro-active relationships with local sports clubs
- To ensure that all facility programmes are exciting, innovative and attractive to users and potential users
- To pro-actively explore opportunities for external funding
- To positively promote the benefits of healthy living and active lifestyles linking with Exercise on Referral.

Your Lewisham Leisure Centres...

Bellingham Leisure & Lifestyle Centre

Randlesdown Road, Bellingham SE6 3BT

020 8697 0043

Forest Hill Pools

Dartmouth Road, Forest Hill SE23 3HZ

020 8291 8730

Forest Hill School Sports Centre

Bampton Road, London SE23 2XN

020 8613 0913

Glass Mill Leisure Centre

41 Loampit Vale, London SE13 7FT

020 8463 9600

Ladywell Arena

Silvermere Road, Catford SE6 4QX

020 8314 1986

Lewisham Indoor Bowls Centre

Kangley Bridge Road, Lower Sydenham,
London, SE26 5AQ

020 8778 1531

The Bridge Leisure Centre

Kangley Bridge Road, Lower Sydenham,
London SE26 5AQ

020 8778 7158

Warren Avenue Playing Fields

Warren Avenue, London BR1 4BP

020 8778 7158

Wavelengths Leisure Centre

Giffin Street, Deptford, London SE8 4RJ

020 8694 9400

Web www.fusion-lifestyle.com/contracts/Lewisham_Leisure_Centres