

LOCAL PARTNERSHIPS

The public sector delivery specialists

CASE STUDY

Your Leisure – trading company
'in flight' assurance review



Local Partnerships worked with Your Leisure, a social enterprise, to deliver an assurance review that identified existing strengths, untapped opportunities and better ways of delivering services for the community. The results were very interesting...

Background

Your Leisure (YL) is a social enterprise – a Registered Society with the legal form of a Community Benefit Society as defined by the Co-operative and Community Benefit Societies Act 2014. Any financial surpluses are re-invested for the benefit of the communities they serve. There are four strands to the business: hospitality, outdoor services, indoor leisure and support services.

YL was formed on 1st April 2013 through the merger of Thanet Leisure Force and Vista Leisure, two existing leisure trusts who were servicing neighbouring areas. After nearly two years of successful trading following the merger, YL appointed Local Partnerships to undertake an intensive three day, on-site assurance review to provide an external perspective on its current business and future plans with a particular focus on the merger itself and future opportunities.

The original objectives of the merger included financial savings and potential efficiencies through improved customer offerings, greater capacity to exploit external funding streams and economies of scale.

“ The independent assessment was a challenging, but very supportive, learning experience that provided us with the confidence to refocus our attention on new business opportunities that build on our current objectives and successes whilst also generating improved value to our key partners and stakeholders.”

Steve Davis, Managing Director, Your Leisure

The key challenge

The merger between the two organisations was complicated by the two different original types of charitable enterprise (an Industrial Provident Society and a Charitable Trust, established through a company limited by guarantee) and the differences in management, governance and cultural styles each had adopted.

Despite the complexity, the merger has been successful, establishing a financially viable business where all facilities have continued to operate and planned savings have been delivered.

The new organisation is at another critical point in its development. It needs a clear focus for developing the business over the medium to long term during a period of sustained public sector austerity.



Local Partnerships' role

Local Partnerships has developed reviews for “Spin-outs” and other types of trading venture, including those ventures set up through Local Authority Trading companies (LATCos). These start by considering the options for start-up, through to assisting organisations that are up and running.

Given the legal complexities of local authority trading, the review team comprised an acknowledged expert in the field as well as commercial, project and financial expertise.

The review

Local Partnerships found an enthusiastic, committed and talented workforce, keen to move forward. Impetus had slowed following the merger for understandable reasons and there was a need to determine the strategic direction of the business in the light of the many exciting opportunities the company might potentially pursue. The review concluded that:

- ▶ There was no shortage of possible opportunities to pursue, but these needed to be focused around a small number of the best prospects.
- ▶ Governance arrangements following the merger should be allowed to evolve over time, rather than be a major focus of the Board's attention.
- ▶ The stakeholder picture is complex. There is an opportunity to utilise the market intelligence of staff and the Board through a relationship-mapping exercise.
- ▶ There was a need to develop the emerging "one Your Leisure" culture further. Cross-cutting projects, which bring together staff from across the whole organisation, offer the chance to enhance and embed the excellent work carried out to date.



Outcomes

As a result of the review, the YL management team felt that they had the impetus to engage with partners to focus the direction of the business over the next few years.

Specifically, the management team felt the review provided:

- ▶ **Added value** – the opportunity to step back and reflect on the future direction of the organisation. Of particular value were the proposals for a relationship mapping exercise and associated marketing strategy
- ▶ **Objectivity** – the external perspective provided "distance" and the opportunity for stakeholders and customers to provide candid feedback. A particular strength of the process was the anonymised feedback of how much customers valued the existing service and their suggestions for moving forward.

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- ▶ **A unique perspective** – as part of the local government family, the review team combined in depth knowledge of the public sector with specialist legal and commercial knowledge about local authority trading.
 - ▶ **Identifying new business opportunities** – from the original long list focusing a spotlight on which opportunities might be pursued by YL to deliver short- and longer-term rewards.

“ Local Partnerships facilitated an engaging process which gained maximum insight into our business and the way we do things ... they were innovative and practical in finding solutions to drive our business forward.”

Kevin Fordham, Deputy Managing Director, Your Leisure

Contact

Please get in touch with Jim Scopes at jim.scopes@local.gov.uk, 07799 268 705 to find out more about how an assurance review could help you and to discuss the options available.

For information on how Local Partnerships could support you in other areas of your work, please contact Emma Bull on 020 7187 7379 or email LPenquiries@local.gov.uk

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