

16 Tees Valley Leisure Limited



Tees Valley Leisure is a multi-stake holding Trust, which has successfully taken on the control and management of local leisure services whilst retaining the involvement of staff, users and the Local Authority. Such a structure has ensured that local services continue to meet the needs of local people, with the control and ownership of the organisation resting with staff and users, along with Local Authority involvement.

What it Does

Tees Valley Leisure Limited (Tees Valley Leisure) provides leisure management services to Redcar and Cleveland Council, operating five 'wet and dry' leisure facilities (that is swimming and non-swimming) in the Borough.

Tees Valley Leisure also provides consultancy services to other authorities looking to transfer their leisure services into an external mutual organisation owned and managed by employees and other stakeholders.

Tees Valley Leisure project-manages a nationally funded 'Hoop Dreams' project involving young people in basketball. Funding is from the Home Office, the Office of the Deputy Prime Minister and Sport England.

Tees Valley Leisure also provides back office services to other voluntary organisations and social enterprises.

How it Came About

In 1998 Redcar and Cleveland Council was facing a financial crisis. One of the budget proposals to solve the crisis was to close three of the Council's five leisure facilities. This would have led to a major reduction in service and many redundancies.

In response, the staff team proposed that the service be transferred to an employee-led mutual. The staff team believed that they could make the required savings on the Council's leisure budget from the reduction in National Non-Domestic Rates available to a qualifying leisure mutual and by being able to generate outside investment not available to the Council.

The staff team persuaded the Council that the mutual option was worth investigating. Leisure Partners, the consultancy arm of Greenwich Leisure, an earlier established mutual leisure service, advised on the development of a business plan for the proposed mutual, which showed that the approach was feasible. A new mutual business, Tees Valley Leisure Limited, was formed as the vehicle to transfer the Council's Leisure Services. The actual transfer of the Council's Leisure Services into the mutual business took place in August 1999. The transfer included all the services run from the Council's five leisure facilities, although the Council retains ownership of the buildings themselves.

Governance Structure

Tees Valley Leisure is governed by a lay Board of sixteen members, although the Managing Director serves on the Board as an ex-officio member. Ex-officio members are entitled to their place on the governing body by virtue of the position they hold, and are only entitled to sit on the governing body for as long as they hold the position.

Nine members of the Board are elected by the staff members, one is a user/customer representative, three are co-opted from the local authority, with additional representatives from education, health and the business community.

Facts & Figures

- Organisational Type – Society for the benefit of the community
- Legal Form – Industrial & Provident Society
- Date Established – 1999
- Location – Redcar and Cleveland, Tyneside.
- Number of Members – 110 contracted permanent employees, with around 80 casuals
- Number of Workers – 80 members, all contracted permanent employees
- Turnover – £2.8 million in the ending 31 March 2003.



The organisation encourages staff and user involvement and has a strong ethos of empowering local people to become more involved in the governance of the organisation.

Day-to-day management of the Society is in the hands of a Senior Management Team, which reports to the Board.

The Board meets every other month and has two sub-committees (Equal Opportunities and Audit) which both meet twice a year.

Participatory Practice

There is a strong emphasis on the genuine involvement of staff because, as the Managing Director states, "the aim is to create an empowered organisation". 80 members of staff are members of the organisation, from a total of 190, of which 80 are casual members of staff.

The nine staff members of the Board are elected annually, with two from each of the four larger leisure facilities and one from the remaining smaller facility. Last year, there was a competitive election from one of the facilities. Board membership from staff has been "quite stable" since the transfer in 1999.

In order to help staff Board members undertake their duties, senior managers of the Society make themselves available to discuss the background to issues on the agenda before each Board meeting.

The Society tries to recruit non-local authority members to the Board, through public advertisement. However, responses have not been high and there has had to be some 'headhunting' to find people to put themselves forward or be appointed to the Board.

Prospective members' CVs are circulated to existing Board members who decide between candidates. The customer/user representative is in theory elected from customer/user members, but in reality has had to be 'headhunted' and appointed to the Board.

The Society makes an effort to have a genuinely engaging Annual General Meeting (AGM) each year. At the last AGM 47 members were present. There was a proposed rule change on the agenda which may have attracted members, but otherwise there were no special inducements to attend.

The organisation has traditionally attracted large numbers of members to the AGM, and there is an inherent culture of participation within the organisation.

Stakeholder Engagement

The Society's Senior Management Team hold 'roadshows' at each of the centres throughout the year to discuss issues relating to the activities of the Society for staff. Although these roadshows are open to members and non-members alike, they are an important means of communicating with employee members of the Society.

There are twice yearly open forums for service users at each of the five centres. These are usually attended by around eight to ten people. The Society is keen to develop this further.

There are also regular surveys of users and non-users of the service. Some of these are related to the activities of the Society as a whole, whilst others focus on a specific area of service.

The Society operates a 'talk-back' process for dealing with service user complaints or suggestions. When a service user submits a written complaint or suggestion, as well as responding directly to the person concerned, the Society publishes the complaint or suggestion plus the response on notice boards in each centre.

Measures of Success

The Society has successfully delivered on the savings necessary to keep all five centres operational.

The Society has been awarded Investors in People status and is working towards the Investors in People Leadership and Management Model.

Key to Success

The Society has been able to create a culture in which staff feel more empowered, and have a better understanding of why they do what they do. They have been able to operate more commercially, without losing sight of the social objects of the service they operate.

Vision for the Future

The Society is seeking to expand, looking for opportunities to take on not only facilities run by other local authorities but also ones currently run by private or voluntary sector organisations. The Managing Director says "We think we run our operations more efficiently than many private operators."

The Society is seeking to diversify by developing its consultancy arm and by project managing sport and leisure projects using the expertise gained in managing its core business.