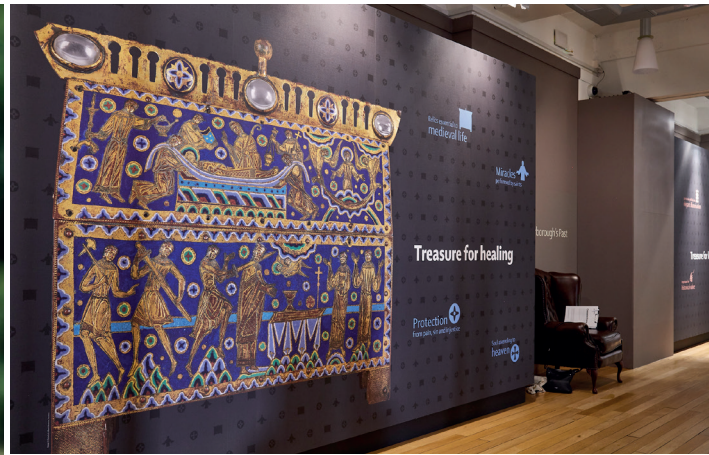


Vivacity



Draft Annual Report 2018/19

Vivacity. A charity that enriches lives



Our welcome

On behalf of Vivacity we are delighted to present a summary of the year, our performance and achievements within the Annual Report for the year 2018/19.

Since its inception in 2010, Vivacity has played a pivotal role in delivering cultural and leisure services in Peterborough that support the City's wider aspirations. Vivacity has from the outset improved service quality, increased participation and reduced the cost of delivering core services. Importantly, Vivacity is a local charitable trust, profits are not distributed to shareholders and money is not leached away from the city, all the surpluses we have made over the years have been reinvested back into the facilities and services we operate to enrich the lives of local people.

2018/19 has been a challenging year for Vivacity, our approach and focus since mid-2018 has been to transform the organisation starting with the re-building of the relationship with our core client, Peterborough City Council. I am pleased to be able to report that both organisations are now closely aligned on delivery, strategic visioning and jointly shaping the future of culture, sports and leisure for the city and are supportive of each other in the way partners should be. We have re-engaged with city partners across the city and developed new relationships based on the spirit of collaboration, openness and transparency, focused on mutual benefits for partners and ultimately the communities we serve. We have made significant structural changes to the organisation at both senior management and governance levels, introducing a more commercial approach to our activities in order to sustain the delivery of our numerous charitable endeavors often for some of the most disadvantaged and vulnerable people in our communities.

Income generated through sales alongside the Council's management fee, provides the backbone of our income, fierce competition from the private leisure sector and lack of

capacity has reduced our financial flexibility in 2018/19. We have a shared aim with Peterborough City Council to reduce our reliance on the management fee throughout the life of the partnership, however we strongly value and welcome the continued support of the Council in helping the 'new' Vivacity rebuild for the future, particularly in the current difficult financial climate we are all operating in.

At the heart of our strong offer, we balance income and expenditure using our income to support our charitable activities. However, over recent years there has been an insufficient focus on ensuring the robustness of our income streams, this in addition to the cost of change has led to significant reduction to our reserves.

Vivacity's next phase of development is designed to ensure its longer term growth and sustainability by addressing a number of issues with the support of our partners, strengthening our financial position by growing our income through existing and new ventures so we are able to continue delivering our charitable objectives and reinvesting into the city.

We have tackled a number of significant issues within Vivacity in a relatively short space of time; we have resourced our transformation plan and continue to adapt to grasp opportunities as they arise. Our efforts during 2018/19 provides some measured optimism for the future, we remain passionate about Peterborough's cultural, sport and leisure offer and will continue working at enhancing that offer alongside city partners.

Stewart Francis, Chair of Trustees

Our awards

This year we were delighted to see recognition for all our investment of time and energy in delivering a much improved customer experience across our services.

This culminated in winning the Customer Care Award, awarded to us by the Peterborough Telegraph Business Awards 2018. Vivacity were up against large organisations from across the City and it is a well-deserved award for our organisation.

Vivacity has c. 500 volunteers that support the services we provide in addition to major events such as the Peterborough Great Eastern Run and the Heritage Festival. We were delighted that Angela Nandi a volunteer at the Key Theatre was shortlisted for the award of 'Theatre Employee of the Year' at the UK Theatre Awards. Angela was accompanied to the awards ceremony by her friends and colleagues to enjoy the glitz and glamour of the event at the Guildhall in London. Although Angela did not win the award, we could not have been more proud of her achievement at being shortlisted for this national award.

Our mission statement

Vivacity - A charity that enriches lives by inspiring people through Culture, Sport and Healthy Living.

Our purpose

Vivacity is an independent, not-for-profit organisation with charitable status.

1. We deliver Peterborough City Council's leisure and culture services including operating the statutory services of libraries, archives and Key Stage 2 swimming; and driving excellence in customer service.
2. We run or support a multitude of charitable activities, funded from income we generate, mainly from our gym and swimming services. Key amongst these are:
 - Several leisure sites, such as the Lido, Bretton Water Park and St George's Community Hydrotherapy Pool.
 - Important cultural events, such as the acclaimed and hugely successful Treasures Exhibition at the museum, the Heritage Festival and addition of the Gormley sculptures to the city skyline.
 - Services that prevent or delay social care issues (and therefore costs), such as literacy and swimming activities for looked after children, health activities for older people to reduce isolation and care costs and using libraries to help build community resilience. We have the expertise and delivery models in these key areas to expand - we are commission ready.
3. We are developing our role as a key partner for the Council and supporting the development of its strategic direction for culture and leisure as part of the future vision for Peterborough.

Our journey



2010: Volunteers GER



2011: Flag Fen



2012: Longthorpe Tower



2013: Hampton Library & Gym



2013: Enabling Fund

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2014: Creative People & Places



2014: Heritage Festival Expanded



2014: Premier Fitness



2015: Lido



2015: Key Theatre



2015: Sports Development



2016: Club Viva Launch



2017: Storytelling Festival



2018: Bunny Bus



2018: Bretton Water Park



2018: St Georges Hydrotherapy



Our customers

We are predicted to see over 1.8m visits to our services for the year 2018/19.

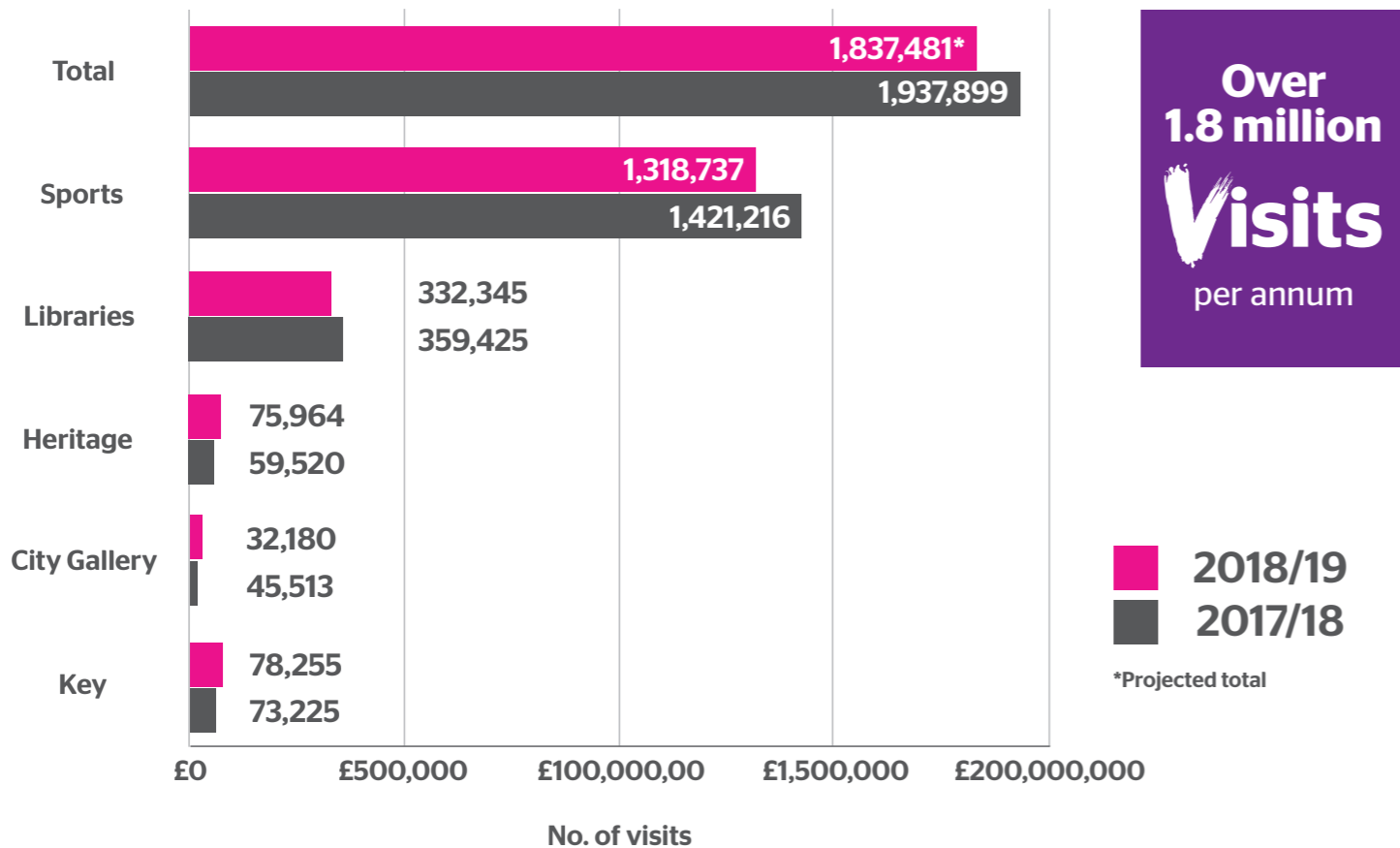
A number of our services have seen growth in visits including our heritage sites and events, our Art Gallery and the Key Theatre. However, the continued downward trend in visits to our Libraries meant we are seeing less visits year on year plus our gym memberships are seeing less frequency in the number of visits.

Our projected annual outturn of visitors across our core services includes our leisure centre and gym offer, we

also have a number of other sports services where we see significant customer activity including Bretton Water Park, Peterborough Lido and St Georges Hydrotherapy Pool. Other services where we see significant customer interaction at include our libraries, Key Theatre and the Museum & Art Gallery.

Data shown represents a visitor figure projected until the end of our financial year and is compared to the same like-for-like period last year.

Vivacity visits



Our customer experience

We measure customer satisfaction using the NPS (Net Promoter Score) measure; and of course winning our award for Customer Care, presented to us by the Peterborough Telegraph Awards in December 2018 demonstrates we are on the right track.

The scores we see across all our services are impressively encouraging as they are compared with other organisations across the UK, but we never rest on our laurels.

Customer Experience has had a complete re-focus this year with new Customer Experience Ambassador roles being created across our sites with an investment via the Apprenticeship Levy scheme. We co-ordinate all our customer feedback from every channel into a dedicated log which is used with every General Manager and with the Senior Leadership team to keep focused on the key things that matter to our customers. Sharing what we have done back with our customers through the mechanism of 'You said, we did' highlighted at our sites via posters around the building.

☆☆☆☆ The Quality of our services

We plan to continually improve on the quality of our services. The Net Promoter Score below shows how our customers have rated our venues, against our desired performance.

Sports

- Vivacity Premier Fitness
- Regional Fitness & Swimming Centre
- Jack Hunt Pool & Gym
- Werrington Leisure Centre
- Bushfield Leisure Centre
- Hampton Leisure Centre
- Lido
- St Georges Hydrotherapy Pool

Libraries

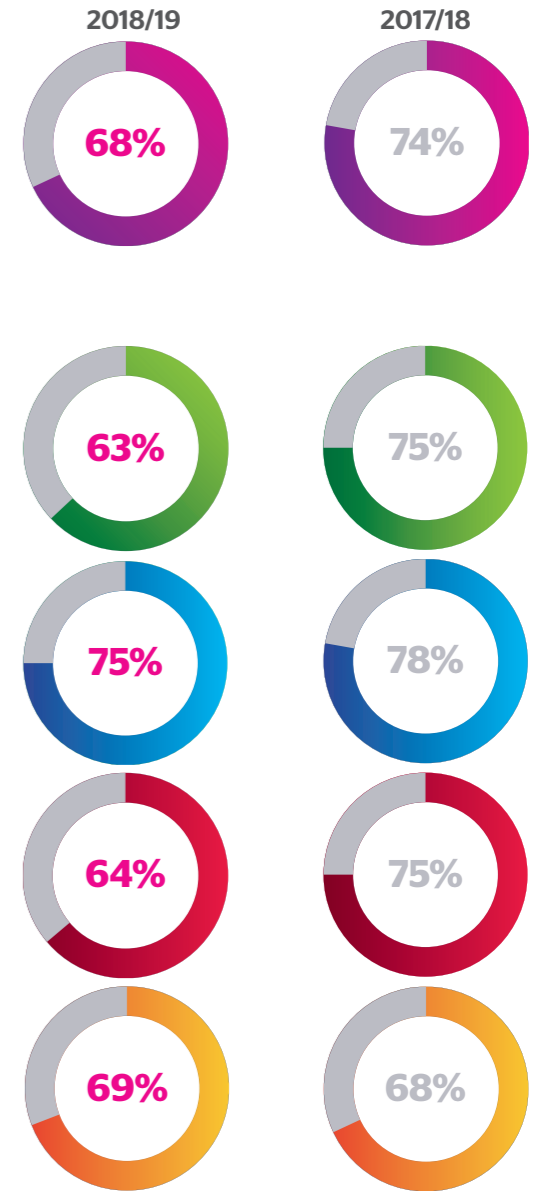
- Bretton Library
- Dogsthorpe Library
- Eye Library
- Hampton Library
- Mobile Library
- Orton Library
- Peterborough Central Library
- Stanground Library
- Thorney Library
- Werrington Library
- Woodston Library

Heritage

- Peterborough Museum
- Flag Fen
- Longthorpe Tower

Arts

- Art Gallery
- Key Theatre



Note: We have altered how we capture data and this has impacted our results for this financial year. 2018/19 figures reflect an introduction of sending out questionnaires by email to all of our sports and library mailing lists to come in line with the Key Theatre who was already doing this.

Our sports highlights

We are proud of many of our achievements across our Sports Service, our top 5 for 2018/19 are:



1. Lido summer season performance



2. St Georges Hydrotherapy Pool



3. Cancer Rehabilitation Programme



4. Pop Up Sports Clubs



5. Club Viva

The exceptionally hot summer increased our attendance figures to an all-time high with some 44,080 visits. The Mayor of Peterborough, Councillor Chris Ash officially opened the 2018 summer season on Saturday 26th May. Credit must go to the Friends of the Lido and Vivacity staff who have worked so hard to get the facility ready for the opening. For the first time we also introduced a variety of events at the Lido such as staging our first Summer Solstice swim - we opened at 04.15am for swimming followed by breakfast with a sunset swim and finished off with hog roast supper. These ticketed events proved really popular with our Lido customers.

As with a lot of our services, our friends groups play a vital role in the delivery of a service to our customers. The St Georges Hydrotherapy Pool is a great example of working in partnership with a 'friends of' group. During the year we have seen multiple fundraising efforts to support facility investment requirements such as a new accessible pool hoist. We had an unveiling and celebration event in November for the addition of the pool hoist with the St Georges Service Users Group. The new hoist will make a significant difference to our customers who rely on this facility for their rehabilitation and support for complex health issues.

The Cancer Rehabilitation exercise pathway was launched this year. The initial phase of the programme is held in the Robert Horrell Centre at the City Hospital and led by a Level 4 Cancer Rehabilitation Instructor from Vivacity. Patients receive up-to 8 free sessions within the hospital and are then referred through to a follow on class that is held at the Regional Pool. This class allows the instructor to prescribe tailored exercises to the individual's own needs and circumstances. This programme has proven to be an excellent initiative that sits right at the heart of our ambition to support the City's health and wellbeing needs; almost 1,800 people have benefited from this programme already. This is a great to our current extensive condition specific rehabilitation programmes.

To continue our outreach work and support of local communities we piloted our sports club offering by taking it out into local parks, green space and other venues to bring the activity and opportunity into the heart of the community. All the activities were accessible free of charge with over 500 people participating; customer feedback was very positive.

Our Children's Holiday club offer is an area we see having opportunity for further growth in the next financial year.

With continued refinement in the process and expanding across the range of Vivacity services, we can offer parents/carers a choice of children's activities during school holiday periods. This expansion will strengthen our core offer and reach new audiences. Participation has already advanced beyond last years total; we anticipate a good take up during the February 2019 half term also.

I came along with some friends and it was nice to be able to play football all together and have fun'

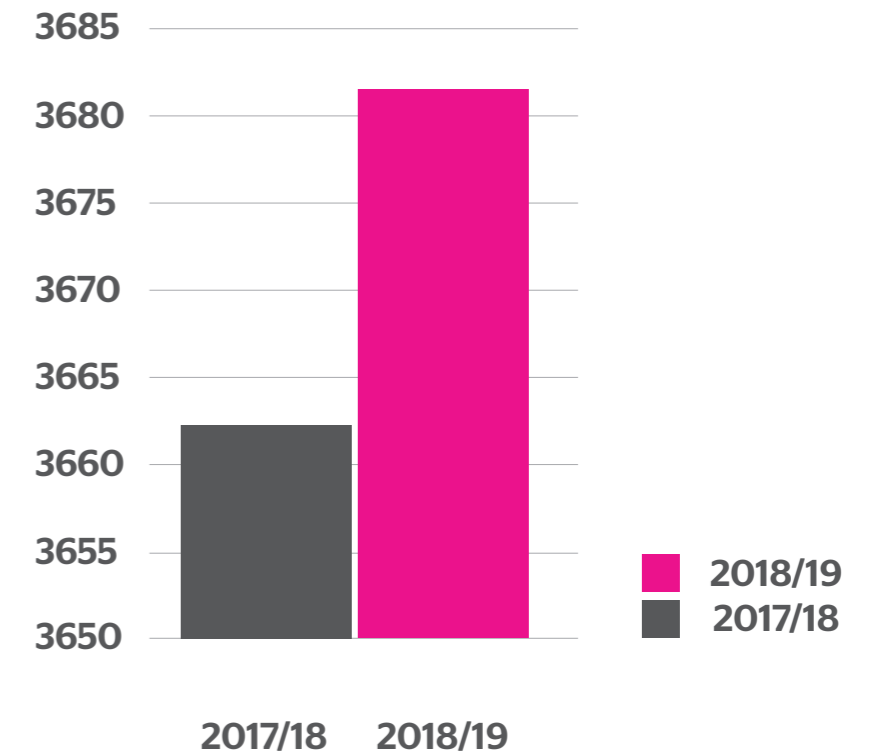
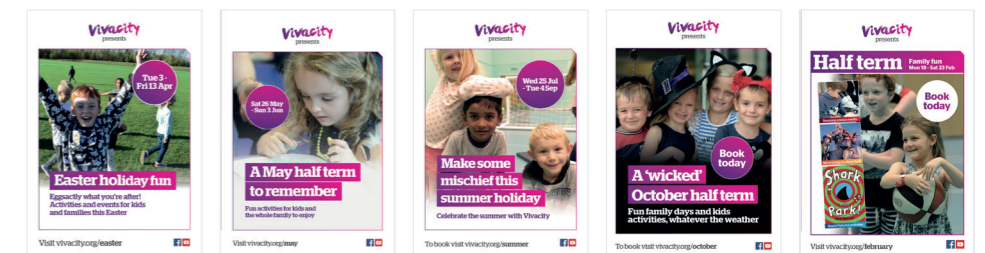
Theo, aged 9

'This is a brilliant initiative. Everything always seems to cost money these days and this provided me with a way to keep the kids busy and outdoors in the sunshine and it is completely free!'

Theo's mum

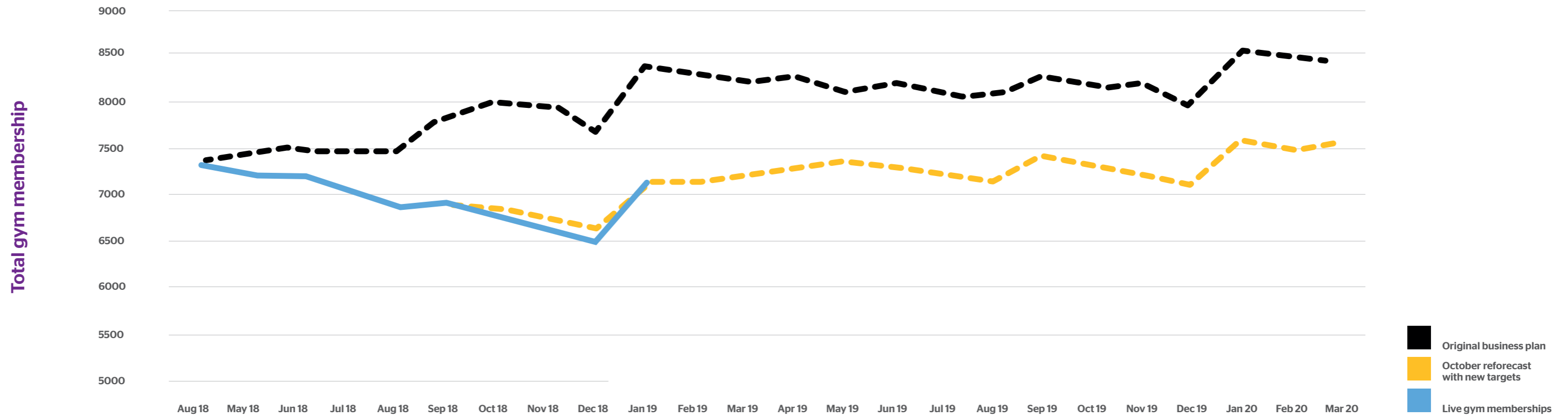
'Great to see so many people come along and doing something organised and together as a team.'

Arthur, local resident

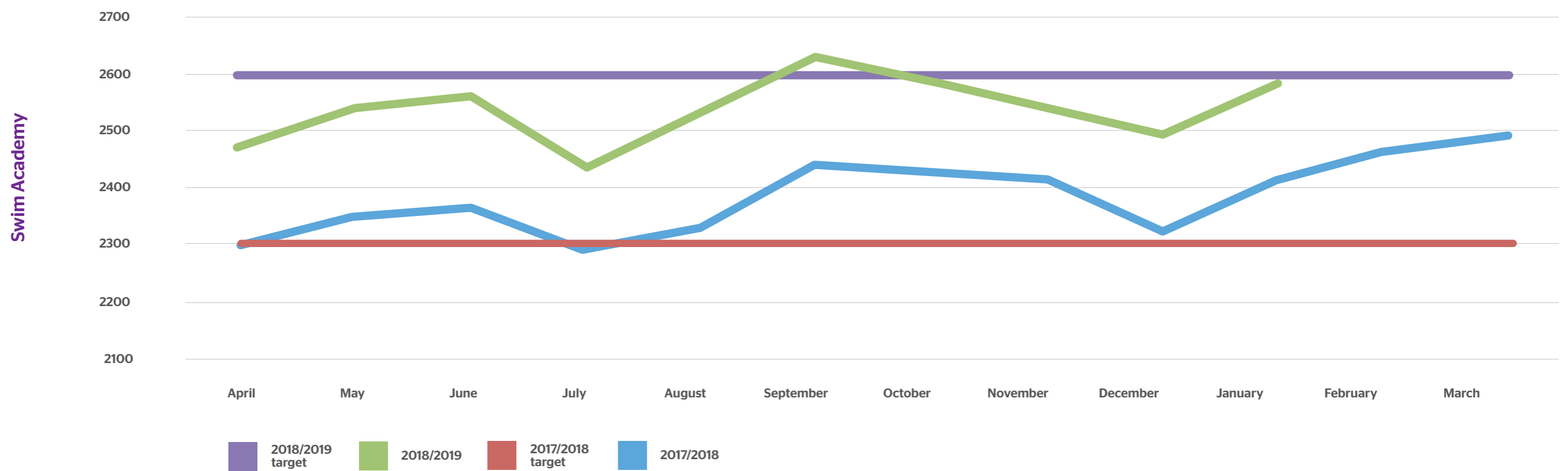


Sports performance

Gym and Swim performance charts



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Our cultural highlights

We have a vast offering on the cultural side of our organisation and have selected our top 5 highlights from 2018/19 noted below.



1. Museum of the Moon

Vivacity secured the visit of Museum of the Moon bringing it to Peterborough during its tour of the UK in 2018. Working in partnership with Peterborough Cathedral this stunning piece took centre stage in the Cathedral for 10 days attracting over 40,000 visits and significant media attention that helped raise the profile of the city.



2. Places to Be

Working with the renowned artist Sir Antony Gormley we brought the Places to Be statues back to the City, repaired to their former glory and positioned in a new and unique position around the city centre. Sir Antony's vision was to lift the statues above the rooftops so they could oversee the city. Now installed on rooftops around Cathedral Square, this permanent art installation has helped lift the profile of the city by bring the work of a globally renowned artist to the city. Our Lookup campaign was encouraged people to seek out the artwork and will feature again in our Summer campaign to get people out and about enjoying what Peterborough has to offer.



3. Treasures

The Treasures exhibition was held for some 19 weeks launching in August and closing in early January 2019. The exhibition brought to Peterborough collections from the British Museum and Victoria and Albert Museum reunited the collections with the city for the first time. Over 21,000 people visited the exhibition during the four-month period of the Treasures; the highest number of visitors to the museum over a similar period since our records began (1993).



4. Fabric of Society

On 15th Nov The Fabric of Society exhibition opened, showcasing artworks created by women from different communities across Peterborough, as part of an Arts Council funded textiles project. Over 60 people attended the opening including women involved in the project along with their friends, family. The evening involved drumming, music and food by local independent caterers, who are women or friends of the women from the project. The launch was successful with around 60 in attendance.

Three women supported to set up as sole traders for culinary businesses and employed for the Private View catering.

We saw representation from a wide range of countries including:



Fabric of Society participant reflections

"With all the problems I have been having this has helped me so much. A sense of belonging and therapy, doing something you like. Knowing you guys has been tremendous."

"I came here with someone I support for Mencap and started a piece of embroidery - I really loved doing it. It was my first embroidery since I was 17, so now I have felt inspired to start another. I loved the atmosphere and the energy in the room too."

"I am really proud of having this opportunity to work with such amazing ladies and to learn."

"I believe when I see this we are all proud of this experience of culture from different country and languages coming together and that is not a problem. We are going to remember this amazing achievement and what we conquered. Remember you are one destiny."



5. Peterborough Presents

Under Arts Council England's Creative People and Places programme, Peterborough Presents was set up with the support of Vivacity to undertake work at a grass roots community level to bring Art to the City. Peterborough Presents have their own identity meaning it a simpler route to accessibility reaching new audiences across the city. Their focus is to engage with people who may never have previously interacted with the arts.



Our theatre offer at the Key

The Key Theatre is a real gem in the Vivacity portfolio and allows us to showcase a wide range of programming to bring in audiences across the whole of Peterborough.

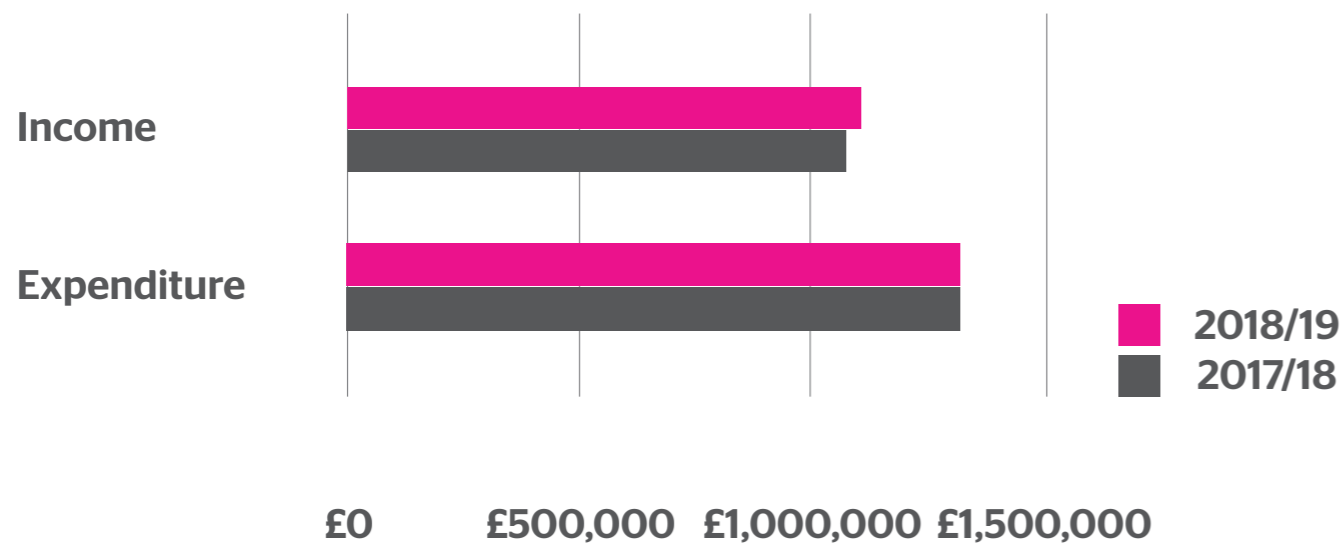
Situated in Peterborough's city centre overlooking the river Nene, the Key Theatre works to bring an abundance of entertainment and culture to the City including nationally touring shows, dance, comedy, live music and much more. Also home to the Key Youth Theatre (KYT) where a large number of vibrant and talented young people meet at

workshops sessions throughout the year that culminates in great shows being presented at the Key.

Coupled with new initiatives that have been implemented this year including showing large sports events on the big screen, targeting down time in the Theatre with screenings of films at 11am to an older audience titled 'Silver Screenings' and our Saturday Kids Club goes from strength to strength for reaching out and introducing new audiences to The Key. The main focus will be focusing on these new initiatives to further increase income into the Key.

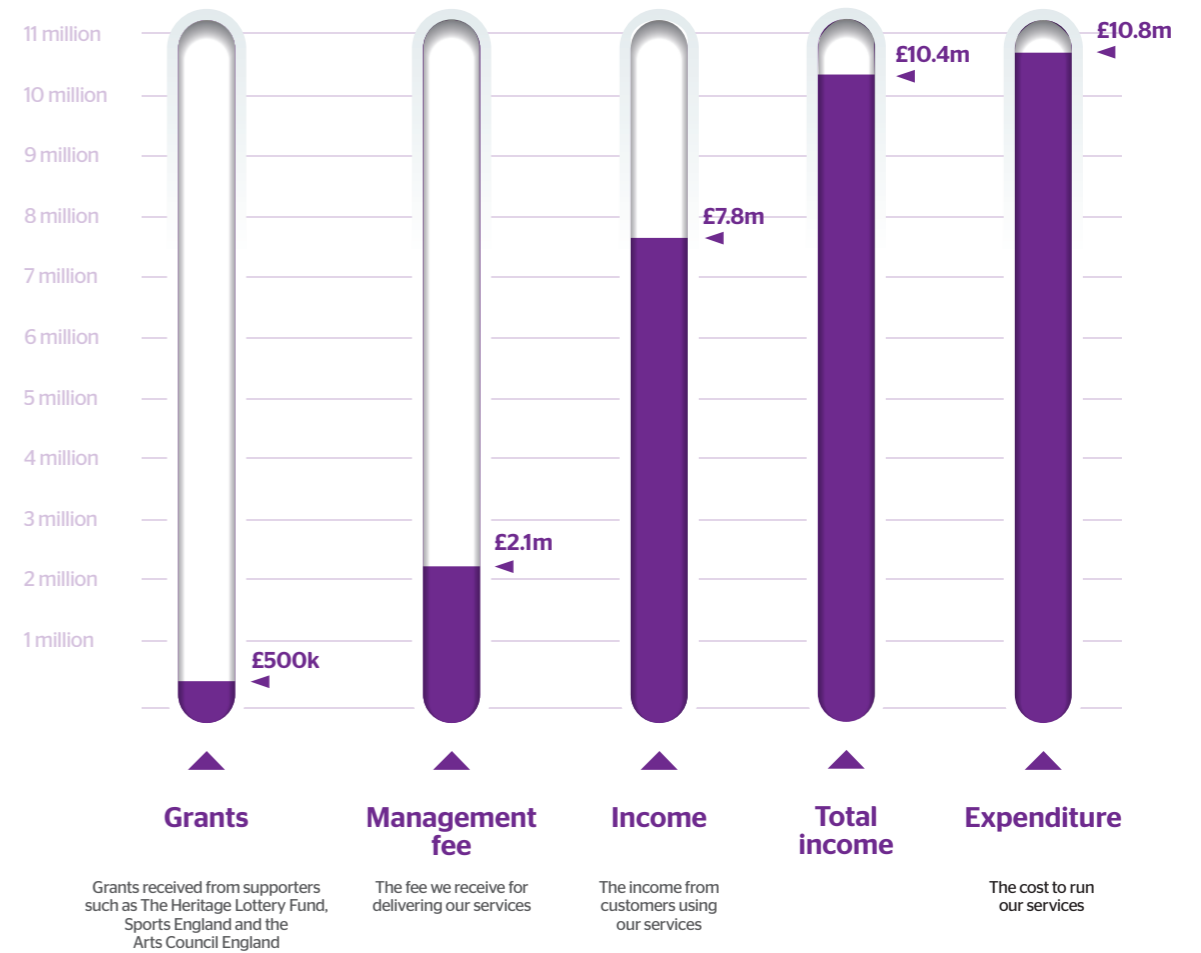
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Key Theatre costs



Our financial overview

As a summary we bring in income from multiple sources. The information included shows predicted outcome for the 18/19 financial year



Our people

We have a number of seasonal services we offer such as the Lido, Kids Club activities which does mean we see fluctuations across the year on the number of people representing Vivacity to deliver our services to our customers. In addition to this we are very proud of the number of volunteers we have as part of our Vivacity family. Without their support a number of our services simply wouldn't run. They are an incredibly important part of organisation.

The latest figures for 2017 show that the average number of sickness absence days that UK workers take has almost halved since 1993. The figures show that employees took an average of 4.1 sickness absence days in 2017. Our average number of days lost to sickness for this period was higher at 6.4 days lost. Focusing on our people and their engagement and health and wellbeing is a key priority for Vivacity. This includes our commitment to being a Disability Confident employer.

2018/19 figures

Employee's c.500

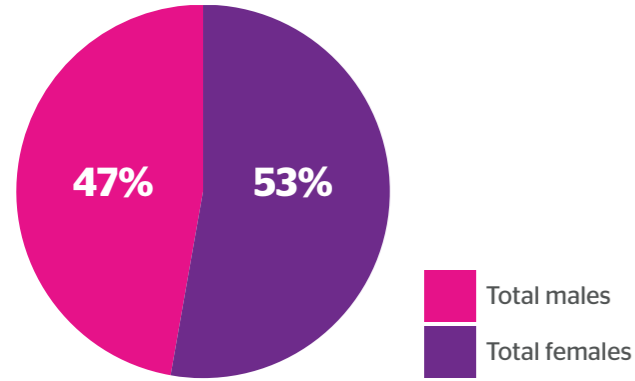
Volunteer's c.500

Sick days Average 6.4 days

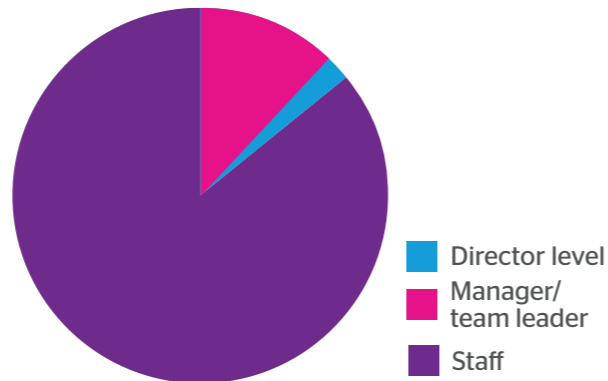
Our people

The following charts demonstrate key information representing the people employed across our organisation:

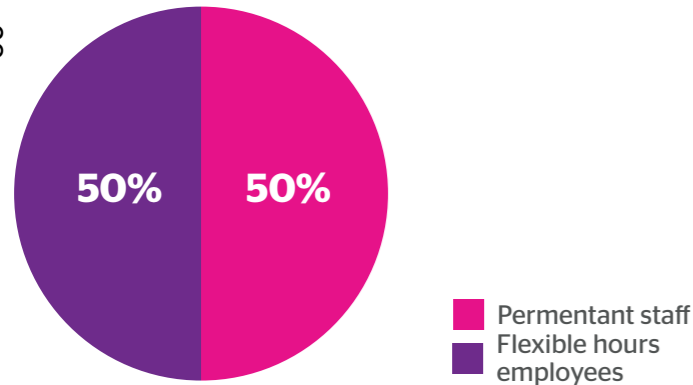
Gender split



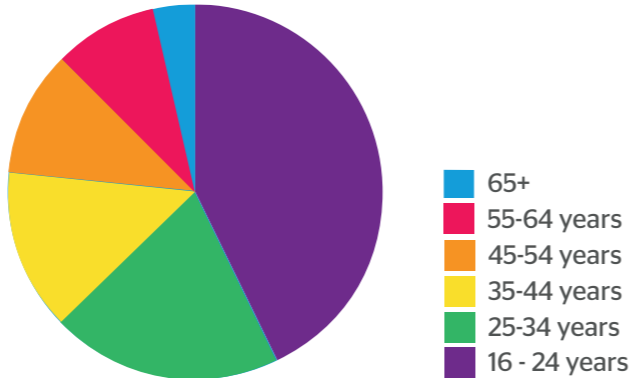
Positions



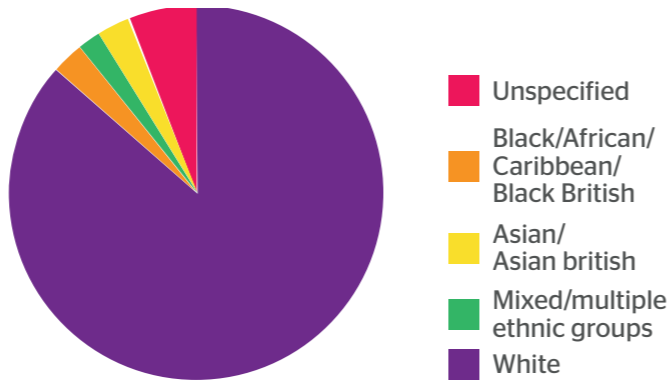
Contract split



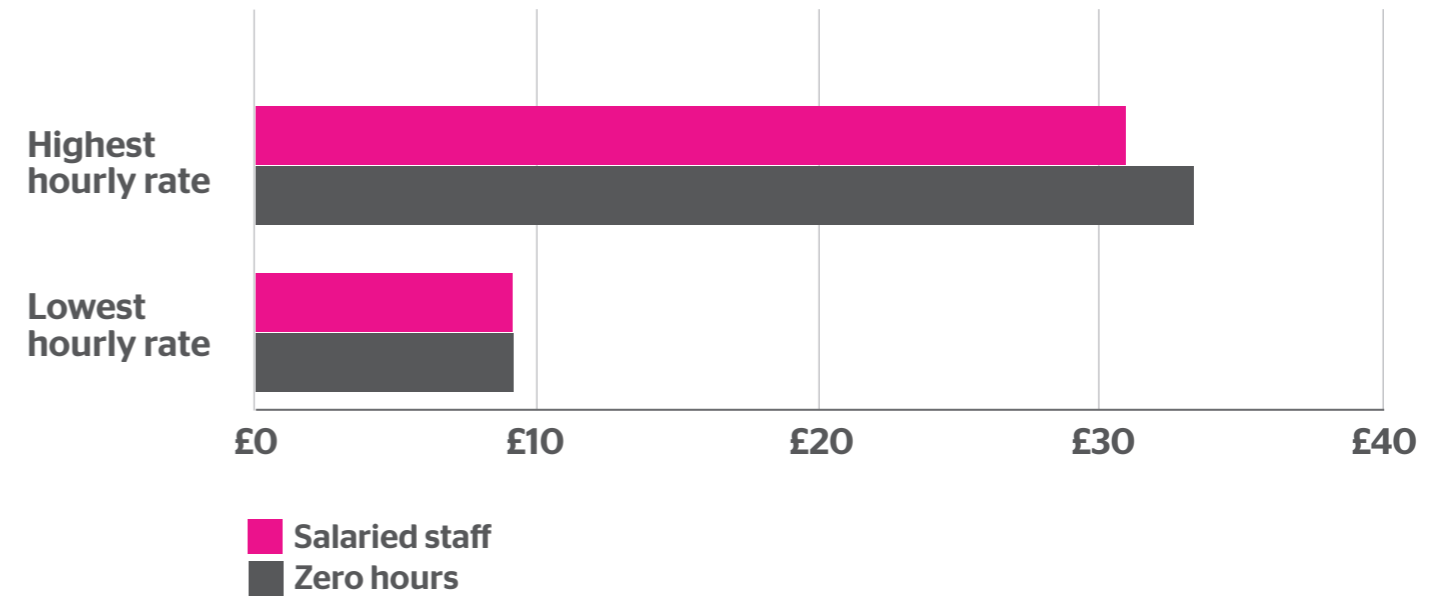
Age



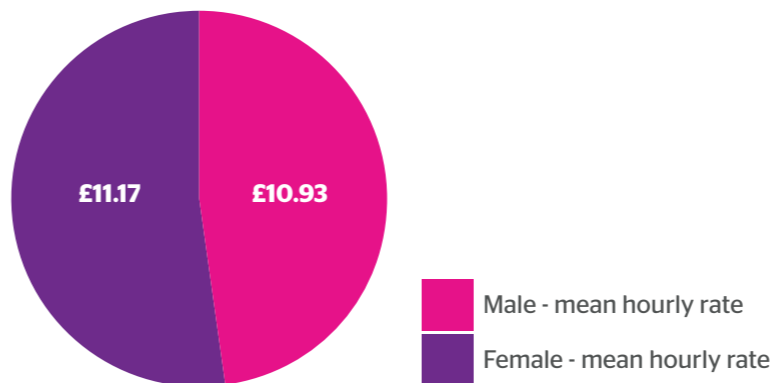
Ethnic representation across our organisation



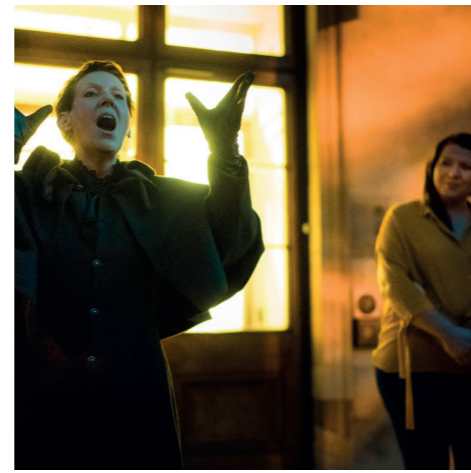
Vivacity pay differential



Gender pay gap



In 2018 Vivacity became a Disability Confident Employer and the scheme will support us focus on how we make the most of the talents disabled people can bring to our workplace. Current figures as of January 2019 indicate only 1% of our workforce consider themselves to have a disability, we plan to undertake a Disability Audit in 2019 to re-assess this.



Our future

It has been a difficult and exceptional year for Vivacity where we have implemented a significant amount of change in the organisation over relatively short period of time.

Our transformation plan is geared towards sustainability and becoming increasingly independent with less reliance on the management fee and support received from the Council. We have acknowledged that in the past our investment in partnerships and relationships with key stakeholders has been insufficient - we have worked tirelessly to address this. We have also acknowledged we have been sluggish to respond to opportunities and have lacked a focus on commercial activity - we know these are critical areas for the long term future of Vivacity and the city's culture, sport and leisure offer; we have put the foundations in place to address these issues. There is no quick fix, partnerships that deliver commercial outcomes that will in turn sustain our charitable objectives take time, the continued support of the Council and willingness of other partner organisation to work with us is vital to the longer-term success of our transformation journey.

We firmly believe Vivacity can and should be at the heart of the city's ambition for culture, sport and leisure alongside the Council and other key stakeholders; we are positioning ourselves to increase our capability in this regard. We also see opportunities to expand our reach through commissioning which will yield stronger outcomes for the city where there are obvious and mutual advantages to doing so.

As we transform and strengthen our own position, we will become increasingly able to play a leading role as a strategic

partner for the city in shaping, driving and delivering the city's ambition for culture, sport and leisure. We believe that these opportunities to develop greater synergies between services currently delivered or commissioned by the Council and other partners that through a collaborative and pragmatic approach will yield stronger outcomes for the city.

Through transformation and future growth the organisation is now becoming energised to deliver growth in the future. We have some key areas to focus on including:

- **Reduce reliance on Peterborough City Council funding over time**
- **Utilise Vivacity's expertise to help shape, facilitate and deliver city outcomes across culture, sport and leisure; and in addressing societal challenges the city faces**
- **Joined-up opportunities - generating more income for more re-investment in the city**
- **Be 'commission ready' - able to respond to opportunities**
- **Support more efficient use of community facilities**
- **Opportunities with city partners and beyond**
- **Greater alignment/synergy around visitor economy**
- **Better positioned for third party funding**
- **Help put Peterborough on the cultural map**

There are several key market and other factors that will affect Vivacity in the future

1. **Continued budget pressure on the Council leading to a pressure on the management fee.**

2. **Increasing social care needs require Vivacity to be 'commission ready' to support the prevention and delay agenda.**
3. **Planning for the University continues, however, the longer-term future for the Regional Fitness and Swimming Centre remains unclear; the reluctance to invest in its improvement that will inevitably lead to a decline in the customer experience and ultimately income is a concern.**
4. **The city's gym supply is at saturation point and we will soon reached capacity at Premier Fitness and the Regional Fitness and Swimming Centre. Future gym expansion is therefore likely to have to be in the greater-Peterborough area in order to continue the expansion in our main income source.**
5. **Competition in the leisure market will continue to increase with some operators struggling to survive.**
6. **As pressure on the city's current inadequate levels of swimming capacity continues to rise, the development of a city-wide Aquatic Strategy will help determine the future of city's swimming offer.**
7. **Sector trends show that private health and fitness clubs have seen an increase in membership whereas public leisure centre attendance has dropped 4% over the last year. The budget gym sector projects continued growth.**
8. **Further wage rises, specifically for lower paid workers, are likely to have a major effect upon Vivacity's wage bill and significantly reduce the income contribution made by leisure services.**

9. **Opportunities for Community Asset Transfer or capital investment for a commercial outcome must be developed in partnership with a clear and mutual understanding of risk/opportunity.**

If Vivacity can get into a position where all its services and more are delivered without recourse to the public purse then we would achieve something that fully protects all culture and leisure services across the city.

As a charitable organisation solely concerned with Peterborough, it's worth appreciating that every cup of coffee bought in the museum coffee shop, every ticket bought at the Key Theatre, every gym membership - all that money from that doesn't go out to a PLC; every penny's ploughed back into the community.

Money spent with Vivacity stays in the city for the good of its people.

Our facilities



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Our financial overview

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds: Sculptures £	Total 2018 £	Total 2017 £
Incoming resources from generated funds							
Voluntary income	3	9,447	-	142	-	9,589	10,729
Charitable activities	4	9,472,197	-	931,128	-	10,403,325	10,050,477
Investments	5	1,817	-	-	-	1,817	4,658
Total incoming resources		9,483,461	-	931,270	-	10,414,731	10,065,864
Expenditure on:							
Fundraising and publicity	6	118,913	-	3,331	-	122,244	111,279
Charitable activities	7	9,799,262	-	920,034	-	10,719,296	9,939,375
Net interest on defined benefit pension scheme		-	(10,000)	-	-	(10,000)	20,000
Total resources expended		9,918,175	(10,000)	923,365	-	10,831,540	10,070,654
Net (outgoing)/incoming resources before transfers		(434,714)	10,000	7,905	-	(416,809)	(4,790)
Gross transfers between funds		266,000	(266,000)	-	-	-	-
Net (outgoing)/incoming resources		(168,714)	(256,000)	7,905	-	(416,809)	(4,790)
Other recognised gains and losses							
Actuarial gain/(loss) on defined benefit pension scheme		-	92,000	-	-	92,000	1,061,000
Net movement in funds		(168,714)	(164,000)	7,905	-	(324,809)	1,056,210
Fund balances at 1 April 2017		208,484	1,347,000	105,281	1,844,500	3,505,265	2,449,055
Fund balances at 31 March 2018		39,770	1,183,000	113,186	1,844,500	3,180,456	3,505,265

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

	All income funds 2018 £	2017 £
Gross income	10,414,731	10,065,864
Total expenditure from income funds	10,831,540	10,070,654
Net expenditure for the year	(416,809)	(4,790)

Notes	2018 £	2017 £
Fixed assets		
Tangible assets	497,686	468,336
Heritage assets	1,844,500	1,844,500
	2,342,186	2,312,836
Current assets		
Stocks	57,390	56,533
Debtors	607,108	412,666
Cash at bank and in hand	2,205,471	2,043,065
	2,869,969	2,512,264
Creditors: amounts falling due within one year	(2,414,699)	(1,792,835)
Net current assets	455,270	719,429
Total assets less current liabilities	2,797,456	3,032,265
Defined benefit pension surplus	383,000	473,000
Net assets	3,180,456	3,505,265
Capital funds		
Endowment funds - general	1,844,500	1,844,500
Income funds		
Restricted funds	113,186	105,281
Unrestricted funds		
Designated funds	1,183,000	1,347,000
General unrestricted funds	39,770	208,484
	1,222,770	1,555,484
	3,180,456	3,505,265



Vivacity

A charity that enriches
lives reaching
almost 50% of the
Peterborough
population

A big thank you to our people,
our volunteers, our customers
and our partners

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