



Friday, 4 October 2024

Dear Sir/Madam

A meeting of the Advisory Shareholder Sub Committee will be held on Monday, 14 October 2024 in the Council Chamber, Council Offices, Foster Avenue, Beeston, NG9 1AB, commencing at 7.00 pm.

Should you require advice on declaring an interest in any item on the agenda, please contact the Monitoring Officer at your earliest convenience.

Yours faithfully

Chief Executive

To Councillors: S P Jeremiah (Chair)
W Mee (Vice-Chair)
B C Carr

G S Hills
S Webb

AGENDA

1. Apologies

To receive apologies and to be notified of the attendance of substitutes.

2. Minutes

(Pages 3 - 4)

The Sub Committee is asked to confirm as a correct record the minutes of the meeting held on 22 January 2024.

3. Declarations of Interest

(Pages 5 - 12)

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda.

4. Future of EM Devco Ltd (Pages 13 - 20)
To ask Advisory Shareholder Committee to recommend Cabinet to approve the voluntary winding up of EM Devco Ltd.
5. Liberty Leisure End of Year Accounts 2023/24 (Pages 21 - 24)
To update the Advisory Shareholder Sub Committee of the end of year performance of Liberty Leisure.
6. Liberty Leisure Q1 Performance Report (Pages 25 - 32)
To update the Advisory Shareholder Sub Committee of the performance of Liberty Leisure Limited in Q1 2024/25.
7. Work Programme (Pages 33 - 34)
The Advisory Shareholder Sub-Committee is asked to approve its Work Programme and to consider items for consideration at future meetings.

ADVISORY SHAREHOLDER SUB COMMITTEE

MONDAY, 22 JANUARY 2024

Present: Councillor R S Falvey, Chair

Councillors: R Bullock
G S Hills
S Webb
R D MacRae (Substitute for B C Carr)

Apologies for absence were received from Councillors B C Carr

32 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

33 MINUTES

The minutes of the meeting held on 16 October 2024 were confirmed and signed as a correct record.

34 EAST MIDLANDS DEVELOPMENT COMPANY LIMITED UPDATE

Members were updated on activities of EMDevco Ltd since the last meeting. The Areli visioning work had been completed and there was no further funding available to continue with community engagement to build upon this work. The work that had been completed was consistent with the SPD for Toton that EMDevco helped to create, along with the emerging Toton and Chetwynd Neighbourhood Plan. The Council and other Shareholder Members had agreed to fund EMDevco for three years, no further funding commitment had been given. The new East Midlands County Combined Authority from May 2024 would change the landscape, as from that date, the D2N2 Local Enterprise Partnership would be folded into the new Combined Authority. No decision had been made of the future possibilities of EMDevco with options included either becoming a Mayoral Development Corporation, a new style Urban Development corporation under the Levelling up legislation or it remained in existence until July, then be dissolved if the other options were not chosen.

35 LIBERTY LEISURE LTD PERFORMANCE REPORT 2023-24 QUARTER TWO

The Advisory Shareholder Sub Committee noted the information provided with Liberty Leisure Limited's performance data and updated supporting information to the end of quarter two for the financial year 2023/24.

The business plan details actions and performance data for the subsequent financial year. The Company's performance was measured against the approved business plan and then reported to the Board of Directors and this Committee. Members noted the

increase in memberships at quarter two and the actions provided to grow the business going forward.

36 WORK PROGRAMME

The Advisory Shareholder Sub Committee considered the Work Programme.

RESOLVED that the Work programme be approved.

Report of the Monitoring Officer

DECLARATIONS OF INTEREST

1. Purpose of Report

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda. The following information is extracted from the Code of Conduct, in addition to advice from the Monitoring Officer which will assist Members to consider any declarations of interest.

Part 2 – Member Code of Conduct

General Obligations:

10. Interest

10.1 You will register and disclose your interests in accordance with the provisions set out in Appendix A.

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of Members of the Council. The register is publically available and protects you by demonstrating openness and willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting which allows the public, Council employees and fellow Councillors know which of your interests gives rise to a conflict of interest. If in doubt you should always seek advice from your Monitoring Officer.

You should note that failure to register or disclose a disclosable pecuniary interest as defined in Appendix A of the Code of Conduct, is a criminal offence under the Localism Act 2011.

Advice from the Monitoring Officer:

On reading the agenda it is advised that you:

1. Consider whether you have any form of interest to declare as set out in the Code of Conduct.
2. Consider whether you have a declaration of any bias or predetermination to make as set out at the end of this document
3. Update Democratic Services and the Monitoring Officer and or Deputy Monitoring Officers of any declarations you have to make ahead of the meeting and take advice as required.
4. Use the Member Interest flowchart to consider whether you have an interest to declare and what action to take.
5. Update the Chair at the meeting of any interest declarations as follows:

‘I have an interest in Item xx of the agenda’

'The nature of my interest is therefore the type of interest is
DPI/ORI/NRI/BIAS/PREDETERMINATION
'The action I will take is...'

This will help Officer record a more accurate record of the interest being declared and the actions taken. You will also be able to consider whether it is necessary to send a substitute Members in your place and to provide Democratic Services with notice of your substitute Members name.

Note: If at the meeting you recognise one of the speakers and only then become aware of an interest you should declare your interest and take any necessary action

6. Update your Member Interest Register of any registerable interests within 28days of becoming aware of the Interest.

Ask yourself do you have any of the following interest to declare?

1. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

A "Disclosable Pecuniary Interest" is any interest described as such in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 and includes an interest of yourself, or of your Spouse/Partner (if you are aware of your Partner's interest) that falls within the following categories: Employment, Trade, Profession, Sponsorship, Contracts, Land, Licences, Tenancies and Securities.

2. OTHER REGISTERABLE INTERESTS (ORIs)

An "Other Registerable Interest" is a personal interest in any business of your authority which relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority; or
- b) any body
 - (i) exercising functions of a public nature
 - (ii) anybody directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of general control or management.

3. NON-REGISTRABLE INTERESTS (NRIs)

"Non-Registrable Interests" are those that you are not required to register but need to be disclosed when a matter arises at a meeting which directly relates to your financial interest or wellbeing or a financial interest or wellbeing of a relative or close associate that is not a DPI.

A matter "directly relates" to one of your interests where the matter is directly about that interest. For example, the matter being discussed is an application about a particular property in which you or somebody associated with you has a financial interest.

A matter “affects” your interest where the matter is not directly about that interest but would still have clear implications for the interest. For example, the matter concerns a neighbouring property.

Declarations and Participation in Meetings

1. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

1.1 Where a matter arises at a meeting which **directly relates** to one of your Disclosable Pecuniary Interests which include both the interests of yourself and your partner then:

Action to be taken

- **you must disclose the nature of the interest** at the commencement of that consideration, or when the interest becomes apparent, whether or not such interest is registered in the Council’s register of interests of Member and Co-opted Members or for which you have made a pending notification. If it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
- **you must not participate in any discussion** of that particular business at the meeting, or if you become aware of a disclosable pecuniary interest during the meeting you must not participate further in any discussion of the business, including by speaking as a member of the public
- **you must not participate in any vote** or further vote taken on the matter at the meeting and
- **you must withdraw from the room** at this point to make clear to the public that you are not influencing the meeting in anyway and to protect you from the criminal sanctions that apply should you take part, unless you have been granted a Dispensation.

2. OTHER REGISTERABLE INTERESTS (ORIs)

2.1 Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests i.e. relating to a body you may be involved in:

- **you must disclose** the interest at the commencement of that consideration, or when the interest becomes apparent, whether or not such interest is registered in the Council’s register of interests of Member and Co-opted Members or for which you have made a pending notification. If it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
- **you must not take part in any discussion or vote** on the matter, but may speak on the matter only if members of the public are also allowed to speak at the meeting
- **you must withdraw from the room** unless you have been granted a Dispensation.

3. NON-REGISTRABLE INTERESTS (NRIs)

3.1 Where a matter arises at a meeting, which is not registrable but may become relevant when a particular item arises i.e. interests which relate to you and /or other people you are connected with (e.g. friends, relative or close associates) then:

- **you must** disclose the interest; if it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
 - **you must not take part in any discussion or vote**, but may speak on the matter only if members of the public are also allowed to speak at the meeting; and
 - **you must withdraw** from the room unless you have been granted a Dispensation.
-

Dispensation and Sensitive Interests

A “Dispensation” is agreement that you may continue to participate in the decision-making process notwithstanding your interest as detailed at section 12 of the Code of the Conduct and the Appendix.

A “Sensitive Interest” is as an interest which, if disclosed, could lead to the Member, or a person connected with the Member, being subject to violence or intimidation. In any case where this Code of Conduct requires to you to disclose an interest (subject to the agreement of the Monitoring Officer in accordance with paragraph 2.4 of this Appendix regarding registration of interests), you do not have to disclose the nature of the interest, if it is a Sensitive Interest in such circumstances you just have to disclose that you have a Sensitive Interest under S32(2) of the Localism Act 2011. You must update the Monitoring Officer when the interest is no longer sensitive, so that the interest can be recorded, made available for inspection and published.

BIAS and PREDETERMINATION

The following are not explicitly covered in the code of conduct but are important legal concepts to ensure that decisions are taken solely in the public interest and not to further any private interests.

The risk in both cases is that the decision maker does not approach the decision with an objective, open mind.

This makes the local authority’s decision challengeable (and may also be a breach of the Code of Conduct by the Councillor).

Please seek advice from the Monitoring Officer or Deputy Monitoring Officers, if you need assistance ahead of the meeting.

BIAS

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias. If you have been involved in an issue in such a manner or to such an extent that the public are likely to perceive you to be biased in your judgement of the public interest:

- a) you should not take part in the decision-making process
- b) you should state that your position in this matter prohibits you from taking part
- c) you should leave the room.

PREDETERMINATION

Where a decision maker has completely made up his/her mind before the decision is taken or that the public are likely to perceive you to be predetermined due to comments or statements you have made:

- a) you should not take part in the decision-making process
- b) you should state that your position in this matter prohibits you from taking part
- c) you should leave the room.

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Registerable Interests

These are interests that you are required to register in accordance with the Code of Conduct. They are interests that you would know about in advance of an item coming up (e.g. land you own) and you should have included them when filling in your register of interests.

What type of Registerable Interest do you have in this matter?

Disclosable Pecuniary Interests

These are any interests that are described as DPIs under the Code of Conduct and include both the interests of yourself and of your partner.

Other Registerable Interests

These are personal interests that relate to certain types of bodies that you may be involved in as set out in the Code of Conduct.

Does the matter directly relate to one of your Disclosable Pecuniary Interests?

No

Does the matter directly relate to the financial interest or wellbeing of one of your Other Registerable Interests?

No

Does the matter affect a financial interest or the wellbeing of yourself or of a friend, relative or close associate?

No

Is the financial interest or wellbeing affected to a greater extent than the financial interests or wellbeing of the majority of inhabitants?

No

Would a reasonable member of the public knowing all the facts believe that it would affect your view of the wider public interest?

No

You must:

- Disclose the interest;
- Not speak on the matter;
- Not participate in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

You must:

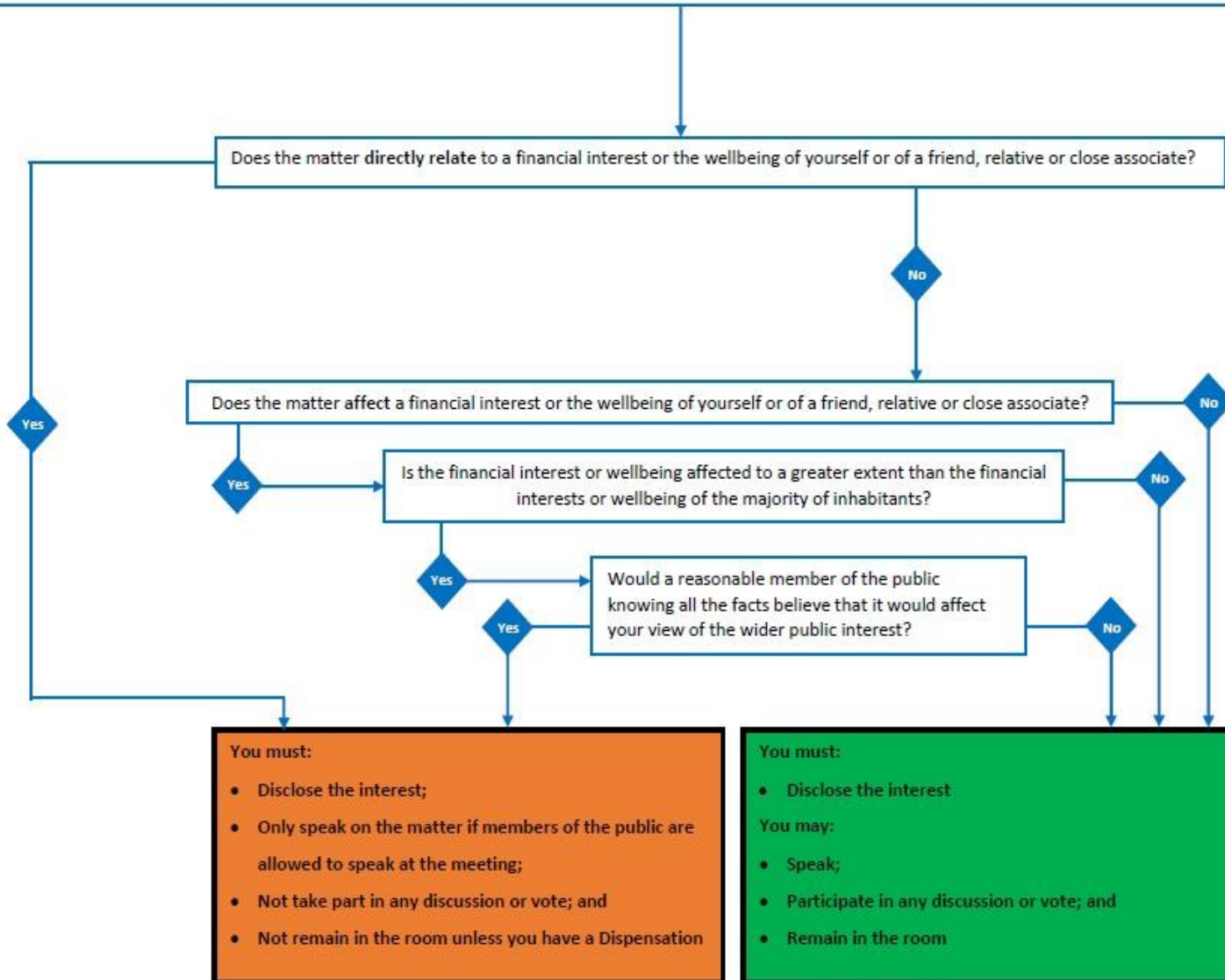
- Disclose the interest;
- Only speak on the matter if members of the public are allowed to speak at the meeting;
- Not take part in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

You must:

- Disclose the interest
- You may:
- Speak;
 - Participate in any discussion or vote; and
 - Remain in the room

Non-Registerable Interests

These are interests that you are not required to register but may become relevant when a particular item arises. These are usually interests that relate to other people you are connected with (e.g. friends, relatives or close associates) but can include your own interests where you would not have been expected to register them.



Report of the Leader of the Council

Future of EM DevCo Ltd

1. Purpose of Report

To update Members on a review of EM DevCo Ltd in the context of the establishment of the East Midlands County Combined Authority (EMCCA) and to seek approval for the winding-up of EM DEvCo Limited as part of a transition of activities to EMCCA.

2. Recommendation

The Advisory Shareholder Sub Committee is asked to RECOMMEND that Cabinet:

1) Supports the necessary steps being taken by the Board of Directors to bring forward the voluntary dissolution of EM DevCo Limited.

2) Delegates authority to the Chief Executive and the Leader of the Council, to consent and sign the resolutions to enable to dissolution of the EM Dev Co Limited.

3. Detail

In February 2019, the Government approved funding for a two-year programme to explore the business case for a locally led development delivery vehicle for the East Midlands and asked the Midlands Engine to lead the work. The Midlands Engine was asked to consider three locations in the East Midlands: specifically, Toton and Chetwynd Barracks and Ratcliffe on Soar Power Station site (both in Nottinghamshire), and the East Midlands Airport Area (in Leicestershire). The programme also explored how a Development Corporation might have wider application across the East Midlands as a whole.

Between 2019 and 2021, Broxtowe Borough Council was involved in this regional conversation facilitated by Midlands Engine. It culminated in a case being made for a new type of development corporation that would require legislative change. This was to provide for the creation of what is known as a Locally Led Urban Development Corporation (LLUDC). This work led to the creation of EM DevCo Ltd by five authorities, including this Council, in May 2021, as a company limited by guarantee. The company was to operate as an interim vehicle prior, paving the way for the proposed new type of statutory development corporation (LLUDC).

The five member local authorities of EM DevCo also include Nottinghamshire County Council, Leicestershire County Council, North West Leicestershire District Council and Rushcliffe Borough Council. The governance arrangements

for the company were designed to mirror those of originally envisaged for the LLUDC model. The day to day running of the company rests with an independent skills based Board of Directors chaired by Sir Chris Haworth with six independent private sector Non-Executive Directors alongside nominated local authority directors. Broxtowe is represented on the Board by Ruth Hyde, Chief Executive. The work reports into an Oversight Authority meeting of elected members from the five local authority owners of the company. The Leader of Broxtowe represents Broxtowe on the Oversight Authority.

When the five councils established EM DevCo it was agreed that Nottinghamshire County Council would host the company and each council approved funding contributions to EM DevCo. Broxtowe Borough Council agreed a contribution of £500,000 spread equally over three financial years from 2021/22 to 2022/23 was financed from General Fund reserves. The final contribution of £166,000 was made in 2023/24.

Context

Development corporations are recognised by Government as “important tools for delivering large scale development” which “bring a number of advantages to complex projects” including a singular and dedicated focus that can provide certainty and confidence to public and private sector investors. Development Corporations have statutory status with a range of powers including planning, land assembly and fund raising. They are distinct from Freeports and Investment Zones in looking across sectors including homes and wider place making with a view to proactively bringing forward sites and infrastructure comprehensively.

Development Corporations are intended to supercharge a new era of regenerative and inclusive growth. When EM DevCo was established as an interim vehicle, the context included planned investment in HS2 in addition to the Freeport designation and recognition of the region’s status as a major trade and logistics gateway. The initiative was also an opportunity to plan strategically in a way that built on the region’s environmental, place, people and business assets, including in research and development and industrial innovation. A comprehensive and integrated approach to development facilitates a more cohesive plan for infrastructure investment.

There are a number of changed circumstances that have directly impacted on the programme, and these also have a strong influence on the future direction. EM DevCo has needed to adapt and pivot its activities during this time but has continued to build momentum and secure support from partners on a number of related workstreams.

In the three years since the creation of EM DevCo Ltd. significant progress has been made, despite very challenging circumstances. The next section of the report highlights some of the achievements, although beforehand it is important

to highlight some of the changing circumstances that have shaped the programme and the next steps.

In the three years since the creation of EM DevCo, the plans for the expansion of high speed rail through HS2 have fundamentally changed on two separate occasions. Members may recall that the initial plan for HS2, when the DevCo was created in 2021, envisaged a new East Midlands Hub Station serving the region from Toton, Nottinghamshire. The subsequent publication of an 'Integrated Rail Plan' in November 2021 shifted the focus onto a more distributed model with the proposal for HS2 services to stop at East Midlands Parkway on route to Nottingham, Derby and Chesterfield and then northwards. However, in October 2023, proposals for new HS2 lines beyond the West Midlands were abandoned by the Government and as it stands the region is not due to receive HS2 services.

These significant changes have had implications for site masterplanning and the proposed growth assumptions. However, each of the sites remains well located and of a sufficient scale to present significant growth and infrastructure opportunities in their own right. The significance of these opportunities led the Department for Transport to ask EM DevCo to lead on overseeing and co-ordinating an East Midlands Stations Growth Strategy review on behalf of the region with £1.75m of funding over two years. This funding is granted to Nottinghamshire CC with staff at EM DevCO (now with EMCCA) supporting the delivery. This work focusses on the four stations that were originally intended to see HS2 stopping services i.e. East Midlands Parkway (EMP), Nottingham, Derby and Chesterfield. This work is demonstrating the significant opportunities for growth and place-making alongside infrastructure investment proposals and the findings are due to be considered through the East Midlands Stations Growth Board and expected to be published early in 2025.

The emergence of West Burton Power Station in Bassetlaw, Nottinghamshire, as the preferred home of STEP Fusion is another significant development that will have national and international significance. EM DevCo has been invited by Nottinghamshire County Council, Bassetlaw District Council and the UKAEA to support a visioning exercise to consider the potential around the three former coal fired power stations of West Burton, Cottam and High Marnham with STEP being a key catalyst.

East Midlands Freeport has continued to develop and four of the EM DevCo member local authorities are also part of the Freeport i.e. Leicestershire County Council, Nottinghamshire County Council, North West Leicestershire District Council and Rushcliffe Borough Council. This particularly relates to parts of the East Midlands Airport area and Ratcliffe Power Station.

Provision for LLUDCs, based on the original EM DevCo model, formed part of the Regeneration and Levelling Up Act, 2023. However, the establishment of the East Midlands County Combined Authority (EMCCA) provides for additional regional devolution with an elected Mayor. Given the origins of the DevCo as

part of a regional conversation about large scale development and infrastructure, this is particularly significant. The creation of EMCCA also brings with it alternative options for creating a development corporation if the need and appetite emerges i.e. a Mayoral Development Corporation. Given this, together with the fact that the company's work has gravitated towards working with local authorities within the EMCCA geography, including through the Stations Growth Strategy, the member local authorities have encouraged closer working with the newly formed County Combined Authority.

In this context and given the company was originally established for an interim period of three years, the Board of EM DevCo Ltd, has been reviewing the future of the company.

Achievements

The DevCo has continued to make positive progress and the Council's contribution of £500,000 (£166,000 per annum over three years) has leveraged more than £4.75m from Government and our other local authority partners.

During the three years, the company's work has highlighted the scale of opportunity presented both in the three initial sites in focus but also setting these in the context of wider regional opportunities including through the Stations Growth work. In 2021/22, following a competitive process, the company appointed a commercial partner, Areli Developments Ltd, to act in an advisory capacity.

Areli are the team responsible for the regeneration of Battersea Power Station and the Northern Line extension in London amongst other projects. They concluded their work on a potential vision for the sites in scope in 2023 with the benefit of £1.5m match funding from DLUHC. This culminated in the publication of the EM Eye Vision for Growth Prospectus advancing the case for integrated and co-ordinated planning at scale and the size of the prize. In terms of next steps, the DevCo has worked with Areli and JTP to develop a plan to engage key stakeholders in the next, more detailed stages of the vision build specifically in relation to Toton and Chetwynd, Attenborough Great Park and Ratcliffe Power Station. This will be something the team will be discussing further with the EMCCA.

In addition to Areli and their wider team, the DevCo has provided access to expert advice with an independent skills-based board of Non-Executive Directors bringing together some of the UK's leading experts in the development and commercial real-estate sector.

As mentioned above, EM DevCo has secured significant funding contributions through various Government departments linked to the procurement of a commercial partner (Areli), work on the East Midlands Stations Growth Strategy and as one of 25 design code pathfinders. The latter process involved public consultation and provided a clear focus on place making and the importance of

designing for nature-based regeneration and zero carbon innovation amongst other key design considerations.

The DevCo continues to oversee and co-ordinate work on the East Midlands Stations Growth Strategy work. The outputs of the first year successfully made the case for the release of the second tranche of funding from the Department for Transport (£750,000). Accountability for this work is provided through the East Midlands Stations Growth Board, which brings together local authority leaders from across the region. This will culminate in a Growth Strategy with a focus on the development and infrastructure potential relating to the four stations in scope as mentioned earlier in this report. This work is crucial to considering the potential for growth and local infrastructure linked to East Midlands Parkway, as it will help set growth here in context of other key stations in the region to ensure complementary development and infrastructure investment. The work will continue, and the findings will be reported later in the year through the East Midlands Stations Growth Board with the support of EMCCA and our local, regional and national partners, will help to shape plans and thinking with the key statutory agencies.

Together, these various initiatives are shaping a vision for a destination and public transport interchange at East Midlands Parkway/Ratcliffe, with measures to reduce the need to travel and other net zero carbon solutions working closely with our universities and industry. It is helping shape some of the thinking behind the statutory planning processes including the Greater Nottingham Strategy Plan.

More recently, EM DevCo, with Areli, is undertaking work on STEP Fusion & Megawatt Valley visioning, funded by NCC, Bassetlaw and UKAEA. This is looking to develop a regional scale of ambition around the three former power station sites in North Nottinghamshire at West Burton, Cottam and High Marnham. This work is reporting into a Strategic Collaboration Group of key stakeholders. This should enable a sharing of good practice that links well to the redevelopment of Ratcliffe Power Station.

Generally, the programme summarised in this report, has provided the region with Development Corporation expertise, which successfully led to the inclusion of provisions for locally led urban development corporations (LLUDC) in the Levelling Up and Regeneration Act of October 2023. As mentioned earlier the LLUDC model was developed through the East Midlands programme and provided profile within Government.

Throughout the three-year period, the DevCo has developed important and strong relationships with a wide range of key stakeholders, including Government agencies, together with national, regional and local stakeholders and partners, helping to put the region on the map, more recently, this includes close working with the EMCCA.

In relation to Toton and Chetwynd, the DevCo commissioned much of the work underpinning the Toton & Chetwynd Barracks Strategic Masterplan SPD, Design Code Pathfinder, and Erewash Riverside Study which provide a basis for the next stages of planning and delivery.

In the above context the opportunities presented at the three initial sites which include Toton and Chetwynd Barracks continue to be well positioned for investment.

Moving Forward

At the turn of the calendar year, the Board of Directors with the support of the Oversight Authority, embarked on a review of the future of the company. This was in recognition that the initial three-year duration of the interim vehicle ran to the end of March 2024. It was also in the context of the changing circumstances highlighted in this report. The Board recognise that the governance landscape is crowded and the DevCo's areas of interest spanning Nottinghamshire and Leicestershire potentially adding to the confusion. In this context it was agreed that the DevCo should explore the scope for closer alignment with EMCCA. Concurrently to enable this, the duration of the company's initial three-year interim period was extended to enable these discussions.

The outcome of the review is that, in the circumstances outlined above, the Board of Directors consider the time is right for the local authority members to take the necessary steps to close EM DevCo Ltd. This would be with a view to materials and activities created by, and on behalf of, DevCo being transferred to EMCCA as well as being available to the member authorities. The on-going use and management of information held will be subject to a 'statement of principles to be established between the five member local authorities. This provides that in situations where a member local authority intends to publish material, the other members are to be given notice. As part of any information sharing, and/or publication, it should be made clear whether the material reflects the adopted policies of the respective local authorities.

In summary, the work of EM Dev Co has naturally come to an end and a voluntary dissolution of the company is now considered to be in the best interests of the company.

Options

The consideration of options would be dependent on additional sources of funding being available to sustain the company. There is no clear source of additional funding and the existing local authority members have made clear their desire to seek alignment with EMCCA. Given the wider context outlined in this report, the Board has not advocated an alternative funding solution and no viable alternative option been identified.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no financial implications to consider for 2024/25 as the company is operating within its reserves generated from prior year contributions. The company's cash flow is being carefully managed by the Board of Directors to ensure it remains a going concern and that it can meet its commitments and liabilities, including the filing of annual accounts. Any surplus held upon dissolution of the company will be shared in accordance with the Members Agreement.

5. Legal Implications

The comments from the Monitoring Officer/Head of Legal Services were as follows:

EM Dev Co is solvent, and the Board is satisfied that it is in the best interests of the Company that it is dissolved given the natural conclusion of its activities and the creation of EMCCA.

The process to dissolve a company is a voluntary strike-off. Once the Company has been struck-off the Register of Companies it will cease to exist. The voluntary strike-off procedure is relatively quick and simple and is provided for under ss1003 to 1011 of the Companies Act 2006. The Board is satisfied that it has undertaken all necessary due diligence and that the application can be submitted and will be accepted by Companies House.

The decision to dissolve the Company is a matter to be ultimately determined by the Members of which this Council is one. This report seeks confirmation that consent can be given at the appropriate time to sign the consent and resolutions necessary to dissolve EM Dev Co.

Copies of all company records and business documentation is required to be retained for a period of 7 years after the company is successfully struck off and closed down with HMRC.

6. Human Resources Implications

No implications for Broxtowe Borough Council.

7. Union Comments

Not Applicable.

8. Climate Change Implications

There are no negative climate change implications arising from this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL SENSITIVE information and there are no Data Protection issues in relation to this report. EMDevCO will reach agreement with its Constituent shareholders regarding the ownership and future treatment of any commercially sensitive information.

10. Equality Impact Assessment

Not Applicable.

11. Background Papers

Nil.

Report of the Liberty Leisure Business Director

Liberty Leisure End of Year Accounts 2023/24

1. Purpose of Report

To update the Advisory Shareholder Sub Committee of the end of year performance of Liberty Leisure.

2. Recommendation

The Advisory Shareholder Sub Committee is asked to NOTE the Liberty Leisure Limited accounts for financial year 2023/24.

3. Detail

The annual operating budget for Liberty Leisure Limited is derived from the company's annually updated Business Plan. Each year the Board of Directors and Broxtowe Borough Council are involved in the planning process through consultation opportunities to feedback on the business plan and the proposed revenue budget. The Business Plan and operating budget for 2023/24 was approved by the company's Board of Directors at meeting number 36 held on 17 January 2023.

With regard to the management of company finances, the Council oversees the day to day transactions and book keeping for Liberty Leisure Limited through the company's financial system. For independent advice and the preparation of the final accounts, Liberty Leisure Limited engage Haines Watts Accountants to be the company accountants.

Haines Watts produced the final accounts for the year ended 31 March 2024. The accounts have been sent to Directors as a separate document to this report and will be filed alongside this report.

The final accounts are legally obliged to show pension liabilities. These can change significantly each year with the company having no control over these changes. The pension liabilities do not affect the company's end of year cash balance and reserve.

4. Financial Implications

The comments from the Liberty Leisure Business Director and the Council's Head of Finance Services were as follows:

Management Fee

The management fee received from the Council was £519,000 plus VAT, which was £181,000 less than in the previous year.

Operating Income and Expenditure

The operating income for 2023/24 was £3.356m, which is an increase of £285k (9.3%) compared to the previous year.

Operating expenditure for 2023/24 is £3.907m, which is an increase of £41k (0.5%) compared to the previous year.

Some of the increase in income has been offset by an increase to the operating costs for the year. The increased expenditure is related to the inflationary pressure which have affected the overall salary costs with the annual pay award being around 7% greater than had been forecast along. There have also been inflationary increases in utilities and insurance among other rising costs.

Corporation Tax

With the company experiencing a trading deficit in the financial year, there was no corporation tax to be paid.

Annual Outturn

The company's annual accounts show an operating cash deficit of £44,856 for 2023-24.

Reserves

The company has an agreed reserve limit of £500k. The reserve policy and limit is reviewed each year by the Board of Directors and the Council. The company's opening reserves, as at 31 March 2023 were £486,889. The operating deficit of £44,856 was taken from these reserves, leaving an updated reserve of £442,033 as at 31 March 2024.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications arising from this report

6. Human Resources Implications

Not applicable.

7. Union Comments

Not applicable.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

Not applicable.

11. Background Papers

Nil.

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Report of the Liberty Leisure Business Director

Liberty Leisure Q1 Performance Report

1. Purpose of Report

To update the Advisory Shareholder Sub Committee of the performance of Liberty Leisure Limited in Q1 2024/25.

2. Recommendation

The Advisory Shareholder Sub Committee is asked to NOTE the Liberty Leisure Q1 Performance Report

3. Detail

The Liberty Leisure Limited Annual Business Plan that is agreed with the Board of Directors and then ratified by Broxtowe Borough Council, details the performance indicators and business actions for the company. The business plan is used to monitor the company's progress using the performance management tool, Pentana.

The performance report is detailed in the **Appendix** of this report.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The budget position after Q1 shows revision showed an improvement of £27,560 on the original budget for 2024/25 with the overall forecast revised to an overall deficit of £67,638. Further details on the financial implications for the company are included in the appendix.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications arising from this report.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:
Not Applicable

7. Union Comments

Not Applicable

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

Not Applicable

11. Background Papers

Nil

Liberty Leisure Ltd Update Quarter 1: 2024-25

Sales and Attendances

1. Fitness Memberships

Achieved 2023-24	Target 2024-25	End Q1 2024-25	Comments
3,511	3,454	3,331	Targets are taken from the annual sales forecasting
	GYM BLC = 2,700 CO = 370 Exercise Referral = 384	GYM BLC = 2,561 CO = 333 Exercise Referral = 437	Targets are on track across both sites, planned targeted marketing to help increase memberships Exercise Referral memberships are exceeding targets with the use of Greasley and wise moves

Actions to Grow Memberships

1. Continue with planned marketing activities to encourage new people to join at one of the leisure centre sites
2. Review and improve the digital journey to increase the number of members accessing health improvement programmes
3. Grow Exercise Referral through direct marketing being undertaken by General Practices
4. Continue to deliver exercise referral in the North of the Borough with Greasley Sports and Community Centre
5. Grow the recently started corporate health checks to encourage more take up of corporate memberships
6. Continue to deliver member workshops to improve member retention by adding value to the membership

2. Swim School Memberships

Achieved 2023-24	Target 2024-25	End Q1 2024-25	Comments
2,655	2,196	2,293	Swim School at BLC has already exceeded target, due to the retention of KLC members moving to BLC for their swim lessons.

Actions to Grow Memberships

1. Continue to recruit and support volunteers to enable them to become swim teacher to increase the number of available swim teachers to deliver the programme
2. Review the swim programme and trial small group swim sessions to try and improve retention
3. Review occupancy levels across individual swim lessons to identify opportunities to increase enrolled numbers
4. Understand the effects of price and cost of living on retention of swimmers
5. Move from a site based programme co-ordination to a central co-ordination to bring greater consistency in programme management and content delivery and reduce operating costs

3. Membership Totals

Achieved 2023-24	Target 2024-25	End Q1 2024-25	Comments
6,166	5,650 GYM BLC = 2,700 CO = 470 Exercise Referral = 284 SWIM SCHOOL BLC = 2,196	5624	<p>Figures are the combined totals for Fitness and Swim School Memberships and include Direct Debit and Annual payers.</p> <p>Targets are taken from the annual sales forecasting. The target for 2024/25 has lowered due to the effect of Kimberley Gym and Swim stopping at the end of March 2024.</p> <p>26 memberships below target for the year</p>

4. Attendances

Achieved 2023-24	Target 2024-25	End Q1 2024-25	Target Q1	Comments
927,716	700,000	189,164	175,000	<p>Achieving target for attendance across Swim, fitness and exercise referral</p> <p>Target dropped by 200,000 attendances, due to the loss of Kimberley Gym & Swim</p> <p>Estimated GSCC figures for June</p> <p>14,164 attendances up from quarter target</p>

5.Finance 2024-25

	Achieved 2023-24	Actual Q1	Q1 Pro Rata Target	Budget Forecast 2024-25	Original Annual Budget	Comments
Operating Income	-£3,356,000	-£639,181	-£614,556	-£2,496,060	-£2,458,225	Income is slowly increasing month on month through growing memberships and exercise referral sales, whilst we navigate the loss of Kimberley.
Operating Expenditure	£3,907,000	£613,684	£730,606	£2,932,698	£2,922,423	The company is managing its expenditures through the implementation of further efficiency measures. With a view of general increasing costs including the annual pay award. Particular savings on staffing due to restructure. Actual Q1 includes -£115,165 accrual for service charges that has not been invoiced by the Council.
Management Fee Received	-£519,000	-	-£92,250	-£369,000	-£369,000	The company expects to make its first management fee request to the council at the end of Q2, in advance of its bank balance falling below £442k £150,000 less than last year
Balance	£32,000	-£25,496	£23,800	£67,638	£95,198	The latest budget revision forecast a £27,560 improvement on the original budget for 2024-25

Summary of The Factors Influencing Income and Expenditure for 2024-25

1. The company is working on a range of efficiencies including a staffing restructure, review of licenses, banking costs and planning ahead a pricing strategy. The purpose of the improving efficiencies is to mitigate continued rising costs and to try and reduce the costs to the council.
2. Significantly increasing utility and insurance costs.
3. Reduction in VAT payable due to less management fee received throughout the year.
4. The expected 2024-25 annual pay award will be more than the 4% increase included in the staffing budget.
5. Operating income is broadly derived from three areas. Gym and Swim School Direct Debits are the most significant of these with income from general sports hire being spread over a range of activities.
6. Financial implications due to the loss of Kimberley Gym & Swim including loss of Direct Debit members, as well as Swim School and club bookings.

7. Transfer from Balances

No money was transferred from balances during 2023-24. Operating loss of £44,856 in 2023/24

8. Reserves

Maximum reserve is set at £500,000 agreed with the council and the Board of Directors. Operating loss of £44,856 reduced the reserve to £442,033, however, redundancy paid out of the reserves in May caused the reserve to decrease to £412,033.

Bank Balance as of the end of quarter 1 was £604,757. This is higher than the reserve as March 2024 Service Charge payment of £138,000 has not been paid.

9. Summary of Additional Work and Developments During Q1 2024-25

- a. Liberty Leisure Limited continues to develop opportunities to target different groups of people in the community. The company received £15k from Sport England to deliver Wise Moves (postural stability courses) in conjunction with the Primary Care Network. There are 3 classes per week taking place during 2024-25 across Eastwood, Stapleford and Beeston with a total of 45 places being available across the 3 classes at any one time. Participants have their postural stability continuously assessed and once they have completed the course they are offered to move onto the Exercise Referral Scheme for continued support. We currently have 31 people signed up.
- b. Cease to operate exercise referral from Kimberley Gym & Swim, however, now operating from Greasley Sport & Community Centre to allow for continuous service in the North of the Borough
- c. The company continues to work with the council and a range of partners to deliver the exciting pavilion project at Hickings Lane, Stapleford while contributing towards developing plans for a new leisure centre at the Bramcote Site. Work continues with Kimberley School to deliver the new arrangements at the leisure site to deliver the best outcomes for the community.

Report of the Chief Executive

Work Programme

1. Purpose of Report

The Advisory Shareholder Sub-Committee is asked to approve its Work Programme and to consider items for consideration at future meetings.

2. Recommendation

The Advisory Shareholder Sub Committee is asked to CONSIDER the Work Programme and RESOLVE accordingly.

3. Detail

27 January 2025	<ul style="list-style-type: none">• Liberty Leisure Performance update (Finance/Attendance/Developments)• Liberty Leisure Business Plan Progress
28 April 2025	<ul style="list-style-type: none">• Liberty Leisure Performance Update (Finance/Attendance/Developments)• Liberty Leisure Health and Safety• Liberty Leisure Business Plan

4. Legal Implications

The terms of reference are set out in the Council's Constitution. It is good practice to include a work programme to help the Council manage the portfolios.

5. Background Papers

Nil.

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