



Friday, 7 June 2024

Dear Sir/Madam

A meeting of the Advisory Shareholder Sub Committee will be held on Monday, 17 June 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: B C Carr
G S Hills
S P Jeremiah (Chair)

W Mee
S Webb

AGENDA

1. APOLOGIES

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

2. DECLARATIONS OF INTEREST

(Pages 3 - 10)

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

3. MINUTES

(Pages 11 - 12)

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

4. LIBERTY LEISURE - 23/24 COMPLAINTS AND COMPLIMENTS REPORT (Pages 13 - 18)

To provide information about how customer feedback is dealt with at Liberty Leisure Limited. The report is split in to complaints and compliments.

5. LIBERTY LEISURE BUSINESS PLAN 24/25 (Pages 19 - 50)

To provide the Advisory Shareholder Sub-Committee with Liberty Leisure Limited's Business Plan for 2024-25.

6. LIBERTY LEISURE HEALTH AND SAFETY REPORT (Pages 51 - 54)

To provide the Advisory Shareholder Sub-Committee with an overview of how Liberty Leisure Ltd manage Health and Safety across its operations.

7. Q4 PERFORMANCE MANAGEMENT (Pages 55 - 62)

To provide the Advisory Shareholder Sub-Committee with Liberty Leisure Limited's performance data with updated supporting information for the fourth quarter of the financial year 2023/24.

8. WORK PROGRAMME (Pages 63 - 64)

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

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.
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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

Yes

Yes

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

No

Yes

Yes

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

No

Yes

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:

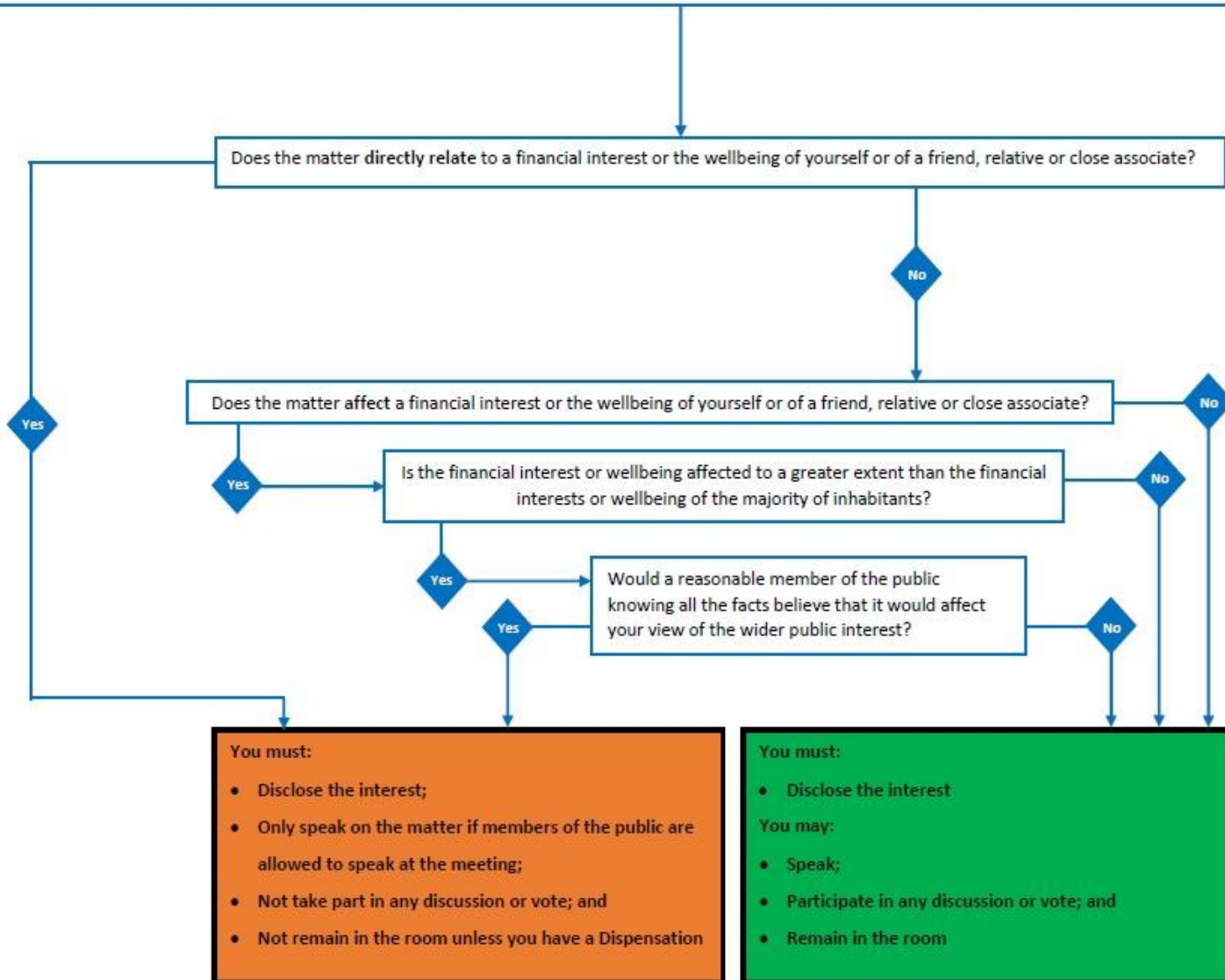
- Disclose the interest;
- Only speak on the matter if members of the public are allowed to speak at the meeting;
- Not take part in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

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.



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 Liberty Leisure Limited Business Director

Liberty Leisure - 23/24 Complaints and Compliments Report
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1. Purpose of Report

To provide information about how customer feedback is dealt with at Liberty Leisure Limited. The report is split in to complaints and compliments.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

Liberty Leisure Limited are committed to providing an efficient and effective service for the benefit of all. With the aim to constantly look for ways to improve the service to the community.

Feedback is received in a number of different ways which are primarily in person when a customer attends the facility, through our Net Promoter Score (NPS) feedback survey, direct through email or via the contact with the Council.

There are no complaints relating to Liberty Leisure on the Council system that have progressed to a stage 2 investigation and all data relating to Liberty Leisure is included in council wide reports.

The vast majority of comments received through the above channels are service requests / comments which will naturally occur as we have thousands of users with different demographics, interests and experience levels.

A summary of the feedback methods is provided below:

Customer Comments Via TRP Survey

TRP is a customer engagement tool that enables Liberty Leisure Limited to send out automated surveys on a daily basis. Customers can only receive one survey each quarter. These surveys allow customers the opportunity to score their visit out of 10 (ten being the highest) and add a comment to why they have given their score. The customer is then grouped as a promoter (score of 9 or 10), passive (score of 7 or 8) or detractor (score of 6 or less).

TRP provides both comments and a monthly summary of Liberty Leisure Limited's NPS (Net Promoter Score) compared to the National Benchmark Score. NPS is calculated as the difference between the percentage of promoters and detractors.

The **Appendix** shows the data from 4 months (December 23 to March 24) in relation to the National Benchmark comparison and the topics of the comments.

The responses are very positive towards the staff and the service given by them. The main contributor to the negative comments is the maintenance and look and feel of the facilities due to the age of the buildings.

Customer Comments to Liberty Leisure Limited Managers

Complaints and compliments given directly to the Leisure Centre managers or the Managing Director.

During December 23 to March 24 there were 8 comments recorded as a compliment / complaint. The 2 compliments related to the positive experience of a child’s party and the 6 complaints primarily related to facility / maintenance issues or booking issues.

Customer Comments to Broxtowe Borough Council

Additionally, complaints and compliments can be sent to Broxtowe Borough Council, regarding Liberty Leisure Limited.

There was only 1 comment received during this time period which related to maintenance issue at Chilwell Olympia and is now resolved.

Table 1. Summary of the number of complaints and compliments based on the feedback type. Data is from December 2023 to March 2024.

Feedback Type	Complaints	Compliments
Leisure Centres or Managing Director	6	2
Broxtowe Borough Council	1	0
Total No. of Comments	7	2

4. Financial Implications

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

Whilst there are no additional financial implications to consider as part of this report, it is acknowledged that levels of performance and customer satisfaction can impact upon future income generating potential of the company.

5. Legal Implications

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

Whilst there are no direct legal implications arising from this report, it is important to note that the Council's approach to handling complaints is within the parameters of the following key piece of legislation: Part III of the Local Government Act 1974.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not Applicable

7. Union Comments

The Union comments were as follows:

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.

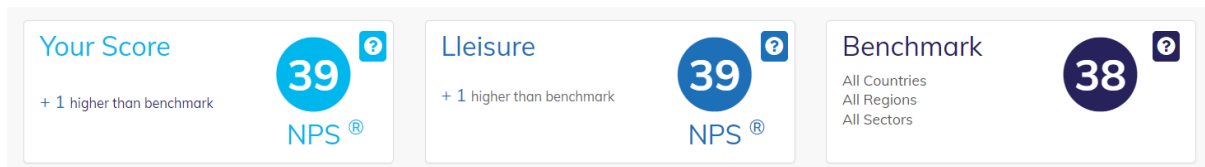
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Appendix

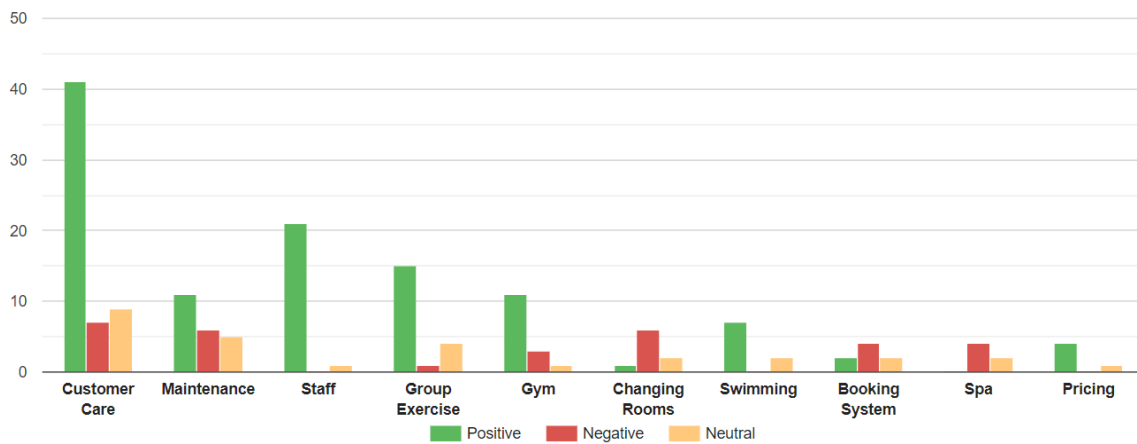
Net Promoter Score Breakdown

Data is recorded from December 2023 to March 2024.

Liberty Leisure Limited compared to the national benchmark score



Breakdown of the topics of the responses and the score associated to the comment



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Report of the Liberty Leisure Business Director

Liberty Leisure Business Plan 2024/25
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1. Purpose of Report

To provide the Advisory Shareholder Sub-Committee with Liberty Leisure Limited's Business Plan for 2024-25.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

Broxtowe Borough Council pay Liberty Leisure Limited a management fee to deliver leisure services for the Council. It is detailed in the management agreement with the Council that the Company will submit an annual business plan to the Council at the start of each calendar year.

The business plan details performance targets, actions for improvement, financial implications and identifies key risks. The management of the business plan delivery is through the performance management system, Pentana with progress being reported to both the Board of Directors and the council at their scheduled meetings.

The draft plan was approved by the Company's Board of Directors on 25 January 2024 and was noted by the Council's Overview and Scrutiny Committee on 29 January 2024.

A copy of the full Business Plan is included in the **Appendix**.

4. Financial Implications

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

The financial impact of the business activity detailed in the Liberty Leisure Limited Business Plan for 2024/25 is included within the plan's financial summary. This shows a forecasted deficit of £95,201 for the Company in 2024/25.

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

The comments from the Union were as follows:

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 LIMITED
BUSINESS PLAN 2024-2027**

The Liberty Leisure Limited Business Plan ensures that the company’s projects and performance develop the business objectives of the company while contributing towards the priorities of Broxtowe Borough Council.

This plan outlines the project priorities that Liberty Leisure Limited will implement to develop the company so it can continue to exceed the business objectives agreed with Broxtowe Borough Council.

The priority of the company is to deliver an efficient service for Broxtowe Borough Council while continuing to make contributions to the Council’s Corporate Plan priority of Leisure and Health. The company delivers a programme of opportunities to have a positive impact on the health of local people, to do this Liberty Leisure Limited is guided by the Service Agreement with the Council.

The business plan focuses on the delivery of actions for the coming financial year. A suite of milestones and Key Performance Indicators (KPI) will be used to monitor progress against key tasks and targets.

The Council’s Vision for Broxtowe is ‘a greener, safer, healthier Broxtowe where everyone prospers’.

Liberty Leisure Limited’s values that contribute to the Councils vision are:

- Innovation – Constantly evolving our offering
- Care – Caring for our community
- Employees – recognising our staff and ensuring a happy workforce for all
- Integrity – always acting with integrity
- Value – Delivering value for all
- Fun – Vibrant and diverse leisure, culture and events that enrich lives

Liberty Leisure Limited specifically contributes to Broxtowe’s Corporate Plan by:

- Encouraging active and healthy lifestyles in every area of the Borough
- Supporting the council to produce and deliver its Leisure Facility Strategy

1. PUBLISHED STRATEGY AND POLICY DOCUMENTS SUPPORTING THE DELIVERY OF PRIORITIES AND OBJECTIVES

Strategy/Policy Document	Purpose of Document	Renewal Date	Responsible Officer/Contact
Broxtowe Leisure Facilities Strategy	The future of leisure facilities within the Borough of Broxtowe	March 2021	Deputy Chief Executive
Broxtowe Borough Council Corporate Plan	The Council's overarching plan for its priorities, targets and objectives. The plan sets out priorities to achieve the vision to make "Broxtowe a great place where people enjoy living, working and spending leisure time" with focus on the priorities of Housing, Business Growth, Community Safety, Health and Environment.	April 2024	Chief Executive
Get Active Delivery Plan <i>(Previously Sports Strategy)</i>	Providing the opportunity, motivation and support to enable people to be more active than ever before	From March 2023. Action plan to be reviewed annually	Business Director
Joint Use Agreement	Provides legal framework for the management of the joint-use facilities in partnership with Notts County Council and school governing bodies	Agreement with Chilwell School subject to 2 years notice	Business Director/Deputy Chief Executive

2. LIBERTY LEISURE LIMITED VISION AND VALUE

Promote active and healthy lifestyles in every area of Broxtowe (He1)

Service Areas covered by this Plan	Service Objectives
Vision	Leisure and Health at the heart of our community
Mission	To earn the lifelong loyalty of our customers through delivering first class leisure and health opportunities
Values	<ul style="list-style-type: none"> • INNOVATION – constantly evolving our offering • CARE – caring for our community • INTEGRITY – always acting with integrity • SAFETY – provide safe and secure facilities and events • VALUE FOR MONEY – delivering value for all • EMPLOYEES – recognising our staff and ensuring a happy workplace for all • FUN – vibrant and diverse leisure, culture and events that enrich lives
Operational Areas	<ul style="list-style-type: none"> • Bramcote Leisure Centre; Chilwell Olympia • Get Active • Business Development

3. MEASURES OF PERFORMANCE AND SERVICE DATA

PERFORMANCE INDICATORS

All of the 2024/25 targets assume that LLL will operate Bramcote Leisure Centre (BLC) and Chilwell Olympia (CO) only. No targets are included for Hickings Lane (HL), from 2025, this will be amended once a date to commence operating is confirmed and a business case is approved

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Total Attendances for Liberty Leisure Limited LLLocal_G02	1,685,140	237,626	913,122	974,368	900,000	700,000	705,000	Business Director 200,000 attendances are lost from Kimberley

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Total number of members (fitness and swim school) LLLocal_G12	8,175	1,410	7,149	7,214	8,170	5,650 GYM BLC = 2,680 CO = 470 Exercise Referral = 284 SWIM SCHOOL BLC = 2,150	5,850 GYM BLC = 2,790 CO = 500 Exercise Referral = 339 SWIM SCHOOL BLC = 2,180	Business Director Systems and Finance Manager Targets are taken from the annual sales forecasting
Total Number of Annual Direct Debits Collected LLLocal_G06	96,402	16,923	69,199	81,571	94,000	65,950 Gym = 40,450 Swim = 25,500	69,900 Gym = 43,900 Swim = 26,000	Business Director Systems and Finance Manager Targets are taken from the annual sales forecasting

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Percentage of direct debits collected LLLocal_G13	98.2%	97.8%	98.1%	96.8%	98.4%	98.4%	98.4%	Business Director Systems and Finance Manager
Total Income (excluding management fee) LLLocal_G05	£3.857m	£3.350m	£2.955m	£3.026m	£3.249m	£2.476m	£2.588m	Business Director Income is dependent on membership growth which will be impacted by a decision to replace the gym equipment

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Operating Expenditure (including central charges) LLLocal_G04	£4.593m	£4.118m	£3.466m	£3.886m	£3.754m	£2.961m	£3.033m	Business Director Expenditure changes include outcome of staffing restructure and a view of general increasing costs including the annual pay award
Management Fee from the Council to Liberty Leisure Ltd LLData_G05	£1.030m	£0.995m	£0.850m	£0.745m	£0.519m	£0.369m	£0.219m	Business Director

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Subsidy per visit all service areas LLLocal_G07	38.0 pence	57.8 pence	49.7 pence	48.1 pence	57.7 pence	52.7 pence	31.1 pence	Business Director Calculation is the Management fee received divided by attendances 2023 onwards excludes Cultural Services
Liberty Leisure Limited – Reserve balance LLLocal_G15 (New)	-	-	-	£0.487m Surplus	£0.444m Surplus	£0.349m Surplus	£0.165m Surplus	Business Director The Company's reserve is forecast to be in deficit during the 2026/27 financial year New performance indicator 2024/25

4. KEY TASKS AND PRIORITIES FOR IMPROVEMENT 2023/24 – 2026/27 INCLUDING COMMERCIAL ACTIVITIES

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Complete a staffing restructure to best fit the reduced leisure operation delivered by the company LL2427_G01 (New)	Have a staffing structure that is suitable for the company’s changed operating circumstances, providing improved financial efficiency and greater operating flexibility	Broxtowe Borough Council	Business Director	The reduction in services delivered by the company necessitates the need to reduce the central costs of managing the company. The annual saving is £64k. By restructuring the senior management team will mitigate the changes without Kimberley Gym and Swim and the reduction in the Management Fee to be received for 2024/25 The management team would operate with three senior managers with the Managing Director role being removed Roles and responsibilities will be changed and reporting to the Board of Directors will be updated to reflect the changes and to ensure good governance

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Investigate the possibility of adopting the 'Agency Agreement' model for the operating of leisure services LL2427_G02 (New)	Review the possibility of minimising the operators VAT liability	Broxtowe Borough Council	Business Director Head of Finance	It may be possible to operate an 'Agency Agreement' enabling the operator to not pay VAT on both its sales and purchases
Alternative leisure provision in the north of the Borough LL2427_G04 (New)		PCN Broxtowe Borough Council – Durban House		The company will work with the PCN to support the need to reduce health inequalities in the north of Broxtowe. Specifically, the company will: <ul style="list-style-type: none"> • continue to deliver weekly postural stability classes in Eastwood and will explore opportunities to expand this provision • will review the change in Exercise Referral opportunities available in the North of the Borough to either be delivered directly by the company or in partnership with others

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Review the support services and charges provided by Broxtowe Borough Council (BBC) LL2427_G03 (New)	Rationalise the support services provided to the company by BBC so that there are improved financial and operational efficiencies	Broxtowe Borough Council <ul style="list-style-type: none"> • Finance • ICT • Payroll • Human Resources 	Business Director	The support services required by the company will be reduced for the year 2024-25. Reduced services include: <ul style="list-style-type: none"> • Fewer ICT assets required and a reduced demand on the support services • Reduced number of staff requiring processing by Payroll • Reduced number of staff accessing Broxtowe Learning Zone and Broxtowe Benefits • Reduced number of Audits and Purchasing Services for 2024/25 need to be reviewed, an estimated cost reduction of £16k from £230k to £214k is included in the 2024/25 budget The proposed staffing re-structure, and changes to responsibilities allows for Accountancy to be moved in house resulting in an additional saving of approximately £15k in the year 2025/26

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Develop a business case to support Liberty Leisure Limited operating the new Hickings Lane Pavilion LL2427_G05 (New)	Liberty Leisure Ltd to operate a financially sustainable facility at Hickings Lane from 2025/26	Broxtowe Borough Council Football Foundation Stapleford Town Football Club Primary Care Network Steven Gerrard Academy Gladstone – Leisure Management System Procurements required include: Purchase of proposed fitness equipment	Business Director Regeneration Projects Manager (BBC) Operations Manager Start April 2023 End August 2024	A number of outstanding issues are to be resolved before a business case can be finalised detailing the true budget implications of operating the site Financial implications will come into effect from April 2025 - March 2026 (a part year probably 9 months) with a full operating year being 2026/27. Revenue estimates will be included in the LLL medium term budget planning The financial and operation details for operating the site from 2025 will be included in the 2025/28 business plan Liberty Leisure Ltd require both Broxtowe Borough Council and/or the Stapleford Towns Delivery Board and the company’s Board of Directors to approve the company becoming the site operator

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Support Broxtowe Borough Council in the development of a new leisure facility at the Bramcote site LL2225_G01	LLL provide operational expertise to the council to ensure that the new facility has an achievable business plan, that design and layout will meet customer expectation and enable required efficiencies to be achieved	Broxtowe Borough Council	Business Director / Operations Manager April 2022 to March 2027	Liberty Leisure Ltd will: <ol style="list-style-type: none"> 1. Support the Council in developing the facility mix and business case for the operation of a new Bramcote Leisure Centre site 2. Use the facility mix proposed to scope out a draft activity programme for the new facility, which will reflect the diverse needs of the community

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Grow fitness memberships LL2326_G01a	To grow all areas of fitness income to support the objective of improving operational efficiencies. Specifically at Bramcote to ensure that the fitness membership at the site is sufficient to support the financial requirements of a potential future new facility	Gym Sales (Membership prospecting) Primary Care Network (Health referral partner) Carbon Group Gladstone Leisure Management Systems Supported by the Liberty Leisure Ltd business action of 'Implementing an improved digital journey'	Business Director Business Manager Start: April 2021 End: March 2026	Income from fitness is derived from Direct Debits from different standard membership categories; Exercise Referral and Annual Memberships ACTUAL March 2023 = £1,204k TARGET <ul style="list-style-type: none"> • March 2024 = £1,320k • March 2025 = £930k (No Kimberley) • March 2026 = £976k • March 2027 = £1,010k LLL will be implementing a membership contract to assist in improving member retention. Membership growth beyond March 2025 is dependent on the implementation of an equipment replacement programme in 2024/25. If the existing gym equipment is not replaced, then the only additional growth will be from Exercise Referral.

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Expand Exercise Referral opportunities LL2427_G06 (New)	Increase the number of people on the exercise referral programme	Primary Care Network Refer All (Exercise Referral Management Software) Carbon Group	Business Director Start: April 2024 End: March 2026	Increase Exercise Referrals by: Building referral networks and opportunities with the PCN; Delivering a Family Exercise Referral Scheme; Delivering a Postural Stability programme In 2024-25 it is envisaged that no additional resources will be required to manage additional referral programmes and referrals Any future additional resources will be subject to a business case being completed and approved by the Board of Directors. ADDITIONAL TO EXISTING EXPENDITURE Introduce software (ReferAll) to improve the efficiency in the planning, recording, monitoring and reporting of the Exercise Referral Scheme. One off set up costs = £2,580 Annual ongoing licence costs = £694 TARGETS Assumes no additional staffing costs <ul style="list-style-type: none"> • March 2024 = £75k • March 2025 = £72k (No Kimberley) • March 2026 = £87k • March 2027 = £95k All referral members and incomes are included in the Grow Fitness Memberships Business Action

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Grow Swimming Incomes LL2427_G07 (New)	Increase the operational income from Liberty Leisure Ltd Swim School, NCC School Swimming and the public swimming programme at Bramcote Leisure Centre	Notts County Council Gladstone Leisure Management System Carbon Group	Business Director Operations Manager Duty Manager (Swimming) Start: April 2024 End: March 2025	<p>PUBLIC SWIMMING The business action will grow income from public and club access to swimming pools. This business action will refocus marketing campaigns and booking processes to increase incomes from public swimming</p> <p>ACTUAL March 2023 = £261,860</p> <p>TARGETS</p> <ul style="list-style-type: none"> • March 2024 = £272k • March 2025 = £220k (No Kimberley) • March 2026 = £220k • March 2027 = £220k <p>It is expected that there will be no income growth in public swimming due to the reducing condition of the swimming facilities and the requirement to increase income from Swim School lessons</p>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Grow Swimming Incomes LL2427_G07 (New) (Continued)	Increase the operational income from Liberty Leisure Ltd Swim School, NCC School Swimming and the public swimming programme at Bramcote Leisure Centre	Notts County Council Gladstone Leisure Management System Carbon Group	Business Director Operations Manager Duty Manager (Swimming) Start: April 2024 End: March 2025	<p>SWIM SCHOOL</p> <p>To continue to grow swim school income. Introduction of online joining for swimming lessons. Review the terms and conditions and how to reduce income lost from cancellation of lessons. Renewed focus on supporting staff and volunteers to gain swim teaching qualifications.</p> <p>ACTUAL 31 March 2023 = £946,570</p> <p>TARGET including price increases</p> <ul style="list-style-type: none"> • 31 March 2024 = £980k (REVISED) • 31 March 2025 = £704k (No Kimberley) • 31 March 2026 = £740k • 31 March 2027 = £740k

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Implement price changes LL2427_G08 (New)	Increase the overall operational income to mitigate against expenditure increases and a reduction in the management fee received from Broxtowe Borough Council	Requires approval from the Liberty Leisure Ltd Board of Directors	Business Director Systems and Finance Manager	To raise an additional £75k in operating income between 1 April 2024 and 31 March 2025 The additional £75k from this business action is included within the total income detailed in the finance section of this business plan TARGETS including swim school price increases <ul style="list-style-type: none"> • March 2024 = £100k • March 2025 = £75k (No Kimberley) • March 2026 = £50k • March 2027 = £33k

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Implement updated digital sales and booking processes LL2427_G09 (New)	Improve the ease of bookings to support the increase sales and attendances at the Liberty Leisure operated sites	Carbon Group Gladstone Innovatise	Business Director Systems and Finance Manager March 2025	Improving digital sales and booking processes have a potential positive effect on the attendances and incomes across all of Liberty Leisure. Specific improvements and changes include: <ul style="list-style-type: none"> • Customer Emails (TRP) • App Functionality • Waiting lists • Access Control - QR codes • Website Communication – AI/Chat Bot To be scored through NPS and potentially other measures such as mystery shopping. Additional incomes detailed in the finance section of this report will be supported by implementing these changes

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Rationalise and renew the existing gym equipment estate across the Liberty Leisure operated facilities LL2427_G10 (New)	Relocate and refresh the gym equipment between the two existing leisure sites and create a new gym at the Hickings Lane site. Support the continued growth of the fitness membership to support the delivery of annual financial efficiencies	Technogym / E-Gym (potential alternative equipment providers) Procurement process to be agreed	Business Director Fitness and Memberships Manager Procurement and Contracts Officer (BBC) Operations Manager Duty Managers (Fitness) Start: Sept 2023 End: March 2025	Original estimate (2021-22) for 3 sites was £600k. Options for 3 sites (Bramcote Leisure Centre, Chilwell Olympia and Hickings Lane) are as follows: <ol style="list-style-type: none"> 1. Replace all equipment £804k 2. Replace selected cardio, limited resistance, + Hickings Lane £562k 3. Replace all equipment at BLC and CO, new at Hickings Lane, relocate equipment to KGS £607k 4. Replace selected cardio, limited resistance at BLC and CO + Hickings Lane £491k The above prices are exclusive of VAT and do not account for any trade in value of existing equipment

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Manage the reduction in the allocated management fee being made to the company by Broxtowe Borough Council LL2326_04	To deliver a balanced financial budget for 2024/25	Broxtowe Borough Council	Business Director Start: April 2024 End: March 2025	The management fee from Broxtowe Borough Council to LLL reduces as follows: ACTUAL 2023-24 = £519K TARGET 2024-25 = £369k 2025-26 = £219k The financial details of the LLL revenue budget are detailed within the Finance section of this business case

5. FINANCIAL BUDGETS

Area	2023/24 Original Budget (£)	2023/24 Revised Budget (£)	2024/25 Budget (£)	2025/26 Budget (£)	2026/27 Budget (£)	Comments
Staffing costs	2,387,000	2,320,800	1,685,414	1,730,466	1,779,890	Efficiency savings implemented offset by pay awards
Utilities, Business Rates and Rental	499,000	482,700	397,775	401,800	405,600	Overall reduction due to no longer paying rental to Kimberley School
Operating costs	485,200	466,050	409,300	413,450	414,000	Reductions due to operational changes at the Kimberley site
VAT	150,000	150,000	140,000	140,000	140,000	Reduced based on £60k less operational spend
Council Service Charges	230,000	230,000	214,000	206,960	215,238	Assumes operational changes re Kimberley site and accountancy changes in 2025/26
Insurance	88,500	100,490	76,937	78,709	81,777	No operation at the Kimberley site
External funding	0	14,490	0	0	0	Sport England funding for Postural Stability project

Area	2023/24 Original Budget (£)	2023/24 Revised Budget (£)	2024/25 Budget (£)	2025/26 Budget (£)	2026/27 Budget (£)	Comments
School Swim and Chilwell JU	-102,500	-102,500	-117,550	-124,900	-128,800	Additional incomes from NCC school swim programme
Operating income	-3,132,300	-3,075,500	-2,340,675	-2,444,177	-2,486,415	2024/25 increased sales and price changes
External funding	0	-14,490	0	0	0	Sport England funding for Postural Stability project
Management Fee	-519,000	-519,000	-369,000	-219,000	-219,000	

SUMMARY

Area	2023/24 (£)	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)	Comments
Total Expenditure	3,839,700	3,750,025	2,922,426	2,971,385	3,036,056	
Total Income	-3,753,800	-3,711,490	-2,827,225	-2,788,077	-2,834,215	
Deficit / Surplus	85,900	38,535	95,201	183,308	202,291	2025/26 increased deficit due to decreased management fee and the loss of the forecasted surplus expect from

Area	2023/24 Original Budget (£)	2023/24 Revised Budget (£)	2024/25 Budget (£)	2025/26 Budget (£)	2026/27 Budget (£)	Comments
						Kimberley Gym and Swim
Reserve	-400,999	-448,314	-£353,113	-£169,805	£32,486	Any redundancy payments relating to the restructure of the Management Team are additional expenditures to be taken from the reserve

6. SUMMARY OF KEY RISKS

Key Strategic Risk	Action to be taken or required to mitigate/minimise the risk or threat
1. Teckal Company	Ongoing strategic operational documents identifying a wide range of actions to develop the company
2. Lack of financial resources due to cost of living crisis, operational changes and reduced management fee means that buildings cannot be maintained to the levels expected for a commercial operation	A medium term financial forecast that is regularly reviewed to ensure that potential financial issues are identified in advance of the problem arising
3. No Leisure Facilities Strategy means that the council cannot adequately plan for its future leisure provision	As per strategic risk register. The Council to complete its leisure facility strategy to enable the company to develop its operational and financial planning

Liberty Leisure Limited Risk Register (Approved by the Board of Directors – June 2023)

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Kimberley Gym and Swim	Ceasing to operate from the site increases the deficit position of the company	Reduce the central costs of operating the company to mitigate the losses from the closure of Kimberley Gym and Swim Explore the potential to continue operating temporary leisure provision if a surplus could be generated

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Bramcote Leisure Centre, ageing pool plant and building management system	Inability to prevent water leaks, control water and/or air temperatures and air flow for part or all of the building. If failure in part or whole there is a Health & Safety risk and the potential to close the building	<p>Building Condition Report completed by Broxtowe Borough Council.</p> <p>6 monthly meetings held with the Head of Estates (HoE) (or nominated officer) to review the state of the site. Issues identified are raised with the DCE of BBC via the HoE, Capital reports detailing significant maintenance repairs are prepared annually for BBC to consider for known issues above with a cost above £5k in line with the Management Agreement.</p> <p>Broxtowe Borough Council is working on plans to replace the existing leisure centre with a new facility.</p>
All sites - Legionella, Asbestos and Electrical Safety	Health & Safety risk for customers, staff and contractors	<p>Management of legionella by LLL or partner site operators with all involved trained to complete and manage processes. Asbestos registers maintained by LLL or partner site operators with all involved trained to manage the process. Annual electrical testing programme in place with repairs completed following testing / inspection.</p>
All sites - General operations and Emergency Procedures	Health & Safety risk for customers, staff and contractors	<p>Operating and Emergency procedures are in place with staff trained on these processes through inductions and follow ups when identified. National/professional guidelines in relation to swimming, fitness and occupancy figures are followed with training recorded. Procedures are reviewed over time and/or following a situation that may arise.</p>
Chilwell School	Building of a new school at the existing site	<p>BBC and LLL have met with the schools Head Teacher and have discussed options that may be considered within a new build. Chilwell School will keep BBC/LLL up to date with any new information regarding changes and timescales</p>

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Operational incomes fail to reach required targets	<p>Company operate a deficit budget.</p> <p>Company have insufficient funds to meet commitments</p>	<p>Monthly monitoring of income and expenditures to provide a forecast financial operating position for the financial year. Monthly monitoring of cash flow to ensure sufficient funds are in the bank and to forecast ahead changes to the 'cash' in the bank position.</p> <p>Work to improve operating efficiencies is ongoing. Additional support through the utilisation of an external report completed on behalf of BBC.</p> <p>Monthly finance meetings with BBC ensure that the council (owner) is aware of future financial forecasts so appropriate financial adjustments can be made.</p>
Operational expenditures exceed forecast spends	<p>Company operate a deficit budget.</p> <p>Company have insufficient funds to meet commitments</p> <p>Ongoing cost of living crisis results in existing costs to the company continuing to increase</p>	<p>Monthly monitoring of income and expenditures to provide a forecast financial operating position for the financial year. Monthly monitoring of cash flow to ensure sufficient funds are in the bank and to forecast ahead changes to the 'cash' in the bank position.</p> <p>Work to improve operating efficiencies is ongoing. Additional support through the utilisation of an external report completed on behalf of BBC.</p> <p>Monthly finance meetings with BBC ensure that the council (owner) is aware of future financial forecasts so appropriate financial adjustments can be made.</p>

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Failure to deliver an identified Business Action	Potential negative impact on the company's financial position	Business actions are spread over a number of different income areas to minimise the effects of an individual action not being delivered. Additionally, business actions are regularly monitored through the BBC's performance management system and regular business team meetings are held to review performance, issues that are arising and actions required to ensure success of an action.
Collection of Direct Debit payments	Impact on the company's cash flow position	Centralised business team with more than one member of the team able to run the Direct Debit process. Communication systems in place to inform customers. Ability to represent a collection run at a later date if required.
Data management	Sensitive data relating to the company or an individual is breached resulting in financial or personal loss	BBC online training to ensure that individuals within the company understand how to manage sensitive data. Training and updates from the company's bank to ensure that staff with bank access are aware of the risks. Data Processing Agreement are in place between the company and third parties who have access to / process data on behalf of the company. Reporting processes are in place to report a potential/actual data breach to ensure that a breach is appropriately managed and that continual learning is carried out.

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Failure of ICT systems	Customers are unable to make a booking and/or payment. Attendances cannot be recorded. Gym equipment does not work.	Social media platforms and the website are tools used to communicate potential issues to customers. Temporary manual processes are in place to enable customers to access their activity and pay at a later date in the event of ICT downtime.
Staff recruitment	Inability to recruit staff required to ensure the ongoing operation of the service	<p>Reviewed job descriptions and company structure to ensure more progression opportunities for staff. Continuing to review job roles.</p> <p>Market rate supplement is available to be applied to make difficult to fill job roles more desirable.</p> <p>Cross site working is being utilised to provide greater flexibility to cover working hours that need to be covered.</p> <p>The use of 'relief' staff to cover vacant hours</p>
Unforeseen closure	Initial and potential ongoing loss of income. Disruption to customers.	<p>Ongoing building management to minimise the chances of closure. In the event of site closure communications through existing Social Media, Website and direct emails to effected customers along with liaison with council's communications team to get messages out to effected customers.</p> <p>In some cases, alternative activity at another venue can be made available to customers.</p> <p>LLL's insurance will minimise lost income through the Business Interruption element of its insurance</p>

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Reputational Risk	Reduction in numbers of customers affecting income. Bringing the company and/or the council into disrepute	Marketing guidelines in place to support communications; communications limited to supported marketing working group with feedback to management team for potential contentious issues. Company values used to guide decision making to ensure reasonable and justifiable decisions are made. Contentious issues discussed with the council to ensure an agreed approach is taken

Report of the Liberty Leisure Business Director

Liberty Leisure Health and Safety Report

1. Purpose of Report

To provide the Advisory Shareholder Sub-Committee with an overview of how Liberty Leisure Ltd manage Health and Safety across its operations.

2. Recommendation

The Committee is asked to NOTE this report

3. Detail

Liberty Leisure Ltd manage Health and Safety on a daily basis. The daily management of Health and Safety is guided by the companies Risk Assessments and includes:

- Staff training
- Pool & Water Safety
- Daily building and equipment checks
- Electrical Safety
- Fire Safety
- Asbestos and Legionella management
- First aid
- Safeguarding
- Incident reporting

To ensure that the daily management of Health and Safety is sufficient and effective the company use the governance structure that is detailed in this reports **Appendix**.

4. Financial Implications

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

There are no additional financial implications to consider with activities being contained within existing budgets.

5. Legal Implications

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

The Council, as a provider of Leisure Services has a legal duty to ensure the safety of its buildings and the Health and Safety of its staff and visitors. This duty is stated in the Health and Safety at Work Act 1974 and associated legislation.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not Applicable

7. Union Comments

The Union comments were as follows:

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

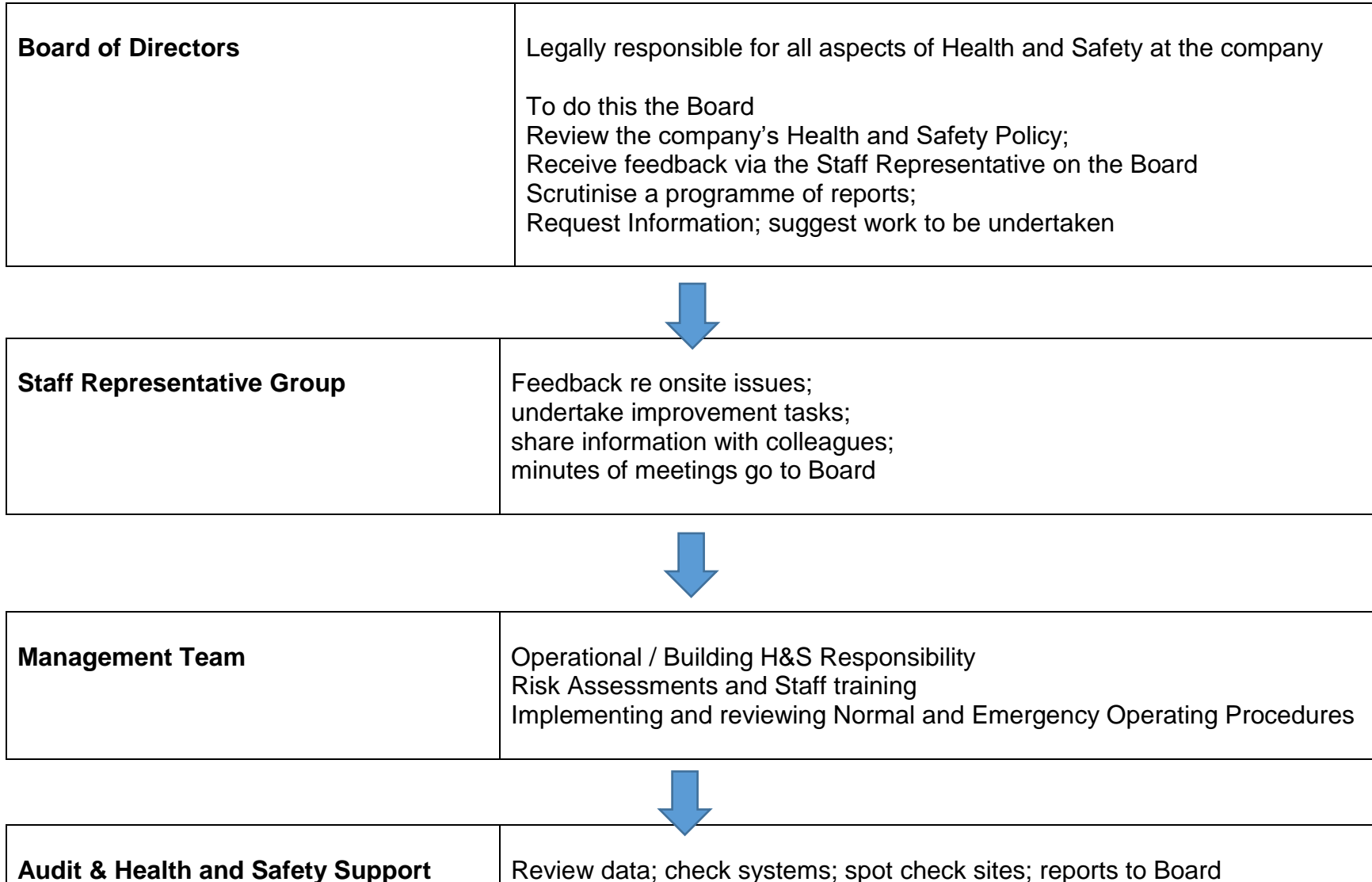
Not Applicable

11. Background Papers

Nil

APPENDIX

HEALTH AND SAFETY GOVERNANCE



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Report of the Liberty Leisure Limited – Business Director

Liberty Leisure Limited - Q4 Performance Management
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1. Purpose of Report

To provide the Advisory Shareholder Sub-Committee with Liberty Leisure Limited's performance data with updated supporting information for the fourth quarter of the financial year 2023/24.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

Liberty Leisure Ltd have operated the Council's leisure services since October 2016.

Each year the Company agree an annual business plan with its Board of Directors and the Council. The business plan details actions and performance data for the subsequent financial year. The Company's performance is measured against the approved business plan and then reported to the Board of Directors and the Council's Shareholder Committee at regular intervals.

This Q4 report was taken to the Liberty Leisure Board in April 2024.

4. Financial Implications

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

A summary forecast of the Company's Q4 and year-end financial position for 2023/24 is included in the **appendix**, along with the factors that have influenced revenue and spending levels in the year.

5. Legal Implications

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

There are no direct legal implications that arise from this report.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not Applicable

7. Union Comments

The Union comments were as follows:

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 4: 2023-24

SALES AND ATTENDANCES

1. FITNESS MEMBERSHIPS

Achieved 2022-23	Target 2023-24	End Q3 2023-24	Comments
4263	4700	3511	Drop due to the Kimberley situation. Q1 – 4280 Q2 – 4520 Q3 – 4309 Q4 – 3511

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 a membership contract option to increase the average length of stay per member
3. Review and improve the digital journey to increase the number of members accessing health improvement programmes
4. Grow Exercise Referral through direct marketing being undertaken by General Practices
5. Implement online waiting list notifications through the Liberty Leisure App
6. Grow the recently started corporate health checks to encourage more take up of corporate memberships
7. Continue to deliver member workshops to improve member retention by adding value to the membership
8. Review the Gym Sales prospecting module against alternative prospecting systems

2. SWIM SCHOOL MEMBERSHIPS

Achieved 2022-23	Target 2023-24	End Q4 2023-24	Comments
3,150	3,400	2978	Reduction due to Kimberley but Bramcote performing very well Q1 - 3448 Q2 - 3498 Q3 - 3252 Q4 - 2978

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 the number of cancelled lessons, the cost of the cancellations and work with Kimberley School.
4. Review occupancy levels across individual swim lessons to identify opportunities to increase enrolled numbers
5. Understand the effects of price and cost of living on retention of swimmers
6. 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 2022-23	Target 2023-24	End Q3 2023-24	Comments
7413	8,100	6489	Figures are the combined totals for Fitness and Swim School Memberships Q1 - 7728 Q2 - 8018 Q3 – 7561 Q4 – 6489

4. ATTENDANCES

Achieved 2022-23	Target 2023-24	End Q4 2023-24	Target Q4	Comments
974,368	890,000	921,250	890,000	Reduced target due to cultural services moving in to the council and reduced services offered at KSG. Q1 - 220,530 Q2 - 214,298 Q3 - 234,668 Q4 - 251,754

5. FINANCE 2023-24

	Achieved 2022-23	Actual Q4	Q4 Pro Rata Forecast Target	Budget Forecast 2023-24	Original Annual Budget	Comments
Operating Income	£3.071m	£3.087m	£3.234m	£3.087m	£3.234m	Income is increasing month on month through growing membership and exercise referral sales Q1 - £0.791m Q2 - £0.790m Q3 - £0.822m Q4 - £0.714m
Operating Expenditure	£3.886m	£3.694m	£2.813m	£3.694m	£3.839m	Q4 increase due to payment of 6 months' council service charge and VAT Q1 - £0.764m Q2 - £0.850m Q3 - £0.998m Q4 - £1.082m
Management Fee Received (Ex VAT)	£700k	£519k	£519k	£519k	£519k	The company made its first management fee request to the council towards the end of October 2023 in advance of its bank balance falling below £250k Q1 - £0 Q2 - £0 Q3 - £180k Q4 - £339k
Balance	£115k Deficit			£87k deficit	£87k deficit	The current estimate of the end of year balance is on target despite the changes with Kimberley. Q1 - £67k Deficit Q2 - £34k Deficit Q3 - £85k Deficit Q4 - £87k Deficit

SUMMARY OF THE FACTORS INFLUENCING INCOME AND EXPENDITURE FOR 2023-24

1. The company is working on a range of efficiencies including a staffing restructure, review of licenses, banking costs, review of music licenses 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. VAT increased with increasing general expenditures
4. The 2023-24 annual pay award has significantly increased in the staffing budget and was higher than originally budgeted for.
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. Closure of Kimberley Gym & Swim and the knock-on impacts of this

7. TRANSFER FROM BALANCES

No money was transferred from balances during 2023-24. Operating loss of £115k in 2022/23

8. RESERVES

Maximum reserve is set at £500,000 agreed with the council and the Board of Directors. Operating loss in 22/23 of £115k reduced the reserve to £486,899.

Bank Balance:

End Q1: £582,300

End Q2: £465,513

End Q3: £494,428

End Q4: £710,681 (Council services, VAT and utility costs to come out)

9. SUMMARY OF ADDITIONAL WORK AND DEVELOPMENTS DURING Q4 2023-24

- 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.
- Development of digital strategy

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

14 October 2024	<ul style="list-style-type: none">• End of Year Accounts 23/24
27 January 2025	<ul style="list-style-type: none">•
28 April 2025	<ul style="list-style-type: none">•

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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