

Joint Report of the Deputy Chief Executive, the Executive Director and the Managing Director, Liberty Leisure Limited**BUSINESS PLANS AND FINANCIAL ESTIMATES 2024/25 - 2026/27 – LEISURE AND HEALTH****1. Purpose of report**

To consider proposals for business plans, detailed revenue budget estimates for 2024/25; capital programme for 2024/25 to 2026/27; and proposed fees and charges for 2024/24 in respect of the Council's priority areas.

2. Recommendations

The Committee is asked to:

- 1. RECOMMEND that Cabinet approves the Leisure and Health Business Plan.**
- 2. NOTE the Liberty Leisure Limited Business Plan.**
- 3. RECOMMEND that Cabinet recommends to Council that the following be approved:**
 - a) The detailed revenue budget estimates for 2024/25 (base) including any revenue development submissions.**
 - b) The capital programme for 2024/25 to 2026/27.**

3. Detail

As part of the Council's performance management framework, the business and financial plans for the five corporate priority areas identified within the Corporate Plan are brought together in one report so that the linkages between service priorities, spending proposals and targets are clear.

An extract of the proposed Leisure and Health Business Plan is provided in **APPENDIX 1b**. The extract includes relevant critical success indicators (CSI), key performance indicators (KPI) and key tasks and priorities for improvement (actions) for approval by Members. It is also part of the remit of the Committee to provide strategic direction to any delivery body established by the Council to fulfil the purposes over which the Committee has responsibility. To meet this requirement, an extract of the Liberty Leisure Business Plan (**APPENDIX 1c**) recently agreed by the Liberty Leisure Board is also presented.

The revenue and capital budget proposals for the corporate priority and relevant service areas, are provided in **APPENDICES 2a to 2b**.

4. Financial Implications

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

Appendices 2a to 2b in this report outline the revenue and capital budget proposals for Leisure and Health and associated service areas, together with the proposed fees and charges.

Following consideration by this Committee, a summary of the estimates, including any changes recommended, will be presented to Cabinet on 6 February 2024 for consideration and recommendation onto full Council on 6 March 2024.

5. Legal Implications

There are no specific legal implications that arise from this report, as the suggested proposals are in accordance with relevant legislation, Council policy and procedures. The recommendation is within the Council's statutory and fiduciary powers.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

There were no Unison comments in relation to this report.

8. Climate Change Implications

There are no climate change implications in relation to 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.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil

APPENDIX 1

Introduction

The Council's business and financial planning framework is one of identifying key service and spending pressures and prioritising resources accordingly, taking into account national and local priorities.

The targeted outcomes from these key issues and the anticipated impact on service performance are set out in business plans. These plans are combined with financial information, including proposals for reducing business costs and increasing income, to form the Business Plans for each priority area.

This report considers the detail in respect of the Business Plan covering the priority area of Leisure and Health. The financial consequences of the business plan, together with the expenditure and income from maintaining existing services, are set out in the revenue budget proposals, the capital programme and the proposed fees and charges which follow the plan.

Within the Leisure and Health Business Plan there are some key tasks which can be met from existing resources or which relate to policy preparation. These are not included in the key spending proposals detailed in the appendices. Any planned activities which will have a financial implication either by increasing costs or reducing income are identified accordingly in the budget papers.

In the Liberty Leisure Limited Business Plan, the financial estimates were developed within a five-year business plan drawn up as part of the business case for the establishment of the company. The anticipated spend has been incorporated into the revenue budgets for 2024/25 as a fixed fee (referred to as a Third Party Payment). Any variation against the fee paid for 2024/25 at the financial year end will result in a budget adjustment to the following year's proposals. Costs relating to the premises provided to the company for the delivery of leisure services are met by the Council which retains ownership of the assets. Costs incurred in providing support services to the company are recovered as income to the Council.

There are several key tasks where it is not appropriate to make financial provision at this stage. These include areas that are subject to external funding bids, partnership arrangements or where insufficient information exists at the present time. In addition, there are a number of capital schemes within the programme which are deemed to be 'awaiting funding' pending receipt of the necessary resources to complete them. These schemes will be brought forward for approval once a potential funding source has been identified.

All of these items will be the subject of further reports throughout 2024/25 as further information and resources become available, thus ensuring that the service and financial planning framework is a fluid process.

Business Planning

As part of the Council's performance management framework, it is the responsibility of this Committee to consider the business plans prior to recommendations being made to Council. The purpose of the plans is twofold. Firstly, they establish the linkage between the Council's high-level objectives and the strategies and aims of the respective services, and secondly, they outline the services' proposals for meeting those aims and objectives.

This report deals with the Leisure and Health Business Plan and associated budget covering this priority area. The Liberty Leisure Business Plan which supports the aims of the Council through the proposed delivery of leisure services. The Council's corporate objectives and aims, as included in the Corporate Plan, are shown at appendix 1a to provide the framework for consideration of the plans.

Financial Background

The revenue and capital budget proposals for the corporate are shown in appendices 2a and 2b.

The revenue budgets show the 2023/24 revised estimate as of December 2023 and the 2023/24 base estimate for the areas encompassed by the relevant business plans. The base estimate figures generally reflect the same level of service as in the current year with a few exceptions.

The following are included in the 2024/25 base figures in this report:

- a) Allowance for certain inflationary pressures including the pay award and cost of fuel. These allowances are guided by the best indications available at the time.
- b) The revenue effects of the 2024/27 capital programme including the cost of any new borrowing to support the capital programme.
- c) Any revenue developments.

The classification of expenditure shown in the revenue estimates is based on the CIPFA Standard Accounting Classification, which shows the following types of expenditure charged to each heading:

- Employee Expenses – salaries and wages; employer's national insurance and pensions contributions
- Premises Related Expenses – repairs, alterations and maintenance of buildings, fixed plant and grounds; energy costs; rents; national non-domestic rates; water charges; fixtures and fittings; cleaning and domestic supplies.
- Transport Related Expenses – direct transport costs; recharge of pooled transport costs; travelling allowances

- Supplies and Services – equipment, furniture and materials; clothing, uniforms and laundry; printing, stationery and general; office expenses; postages; telephones; insurances; grants and subscriptions; miscellaneous expenses
- Third Party Payments – other local authorities; private contractors; charges from trading services
- Transfer Payments – Housing and Council Tax Benefits
- Central, Departmental and Technical Support Services - administrative buildings expenses; central departmental support; departmental administration
- Capital Financing Costs – operating lease charges; asset register charges.

FRAMEWORK FOR BUSINESS PLANNING

The Council's Corporate Plan is subject to annual review to ensure that it continues to reflect the aims and objectives of the Council.

Vision

The Council's Vision for Broxtowe is “**greener, safer, healthier Broxtowe, where everyone prospers**”.

Priorities

The Council's priorities have been updated developed within the context of national, regional and countywide plans and priorities with the aim being to align these with our own aspirations wherever possible.

The Council's priorities are **Housing, Business Growth, Environment, Health and, Community Safety**.

Underpinning the above and all of the Council's work is a series of values which the Council has adopted, namely:

Going the extra mile: *a strong, caring focus on the needs of communities*

Ready for change: *innovation and readiness for change*

Employees: *valuing our employees and enabling the active involvement of everyone*

Always improving: *continuous improvement and delivering value for money*

Transparent: *integrity and professional competence.*

Objectives

Each priority area is underpinned by its strategic objectives. Each strategic objective has targeted outcomes against which progress can be monitored.

The priorities and objectives for **Leisure and Health** are 'People in Broxtowe enjoy longer, active and healthy lives':

- Promote healthy and active life styles in every area of Broxtowe
- Develop plans to renew our leisure facilities in Broxtowe Borough Council
- Support people to live well with dementia and support those who are lonely or have mental health problems.

LEISURE AND HEALTH BUSINESS PLAN 2024/27Introduction

An extract of the proposed Health Business Plan is provided below includes the relevant critical success indicators (CSI), key performance indicators (KPI) and the key tasks and priorities for improvement (actions) that are required to be approved by this Committee.

In an attempt to streamline the reporting process, the extract does not include the regular information and data relating to:

- published strategy and policy documents supporting the delivery of priorities and objectives;
- service level objectives;
- contextual baseline service data;
- management performance indicators (MPI); and
- summary of key risks.

This information will be added to the extract below and included in the full Business Plan that will be published on the Council's website in advance of the financial year.

Background

The Business Plan details the projects and activity undertaken in support of the Corporate Plan priority of **Leisure and Health**.

The Corporate Plan prioritises local community needs and resources are directed toward the things they think are most important. These needs are aligned with other local, regional and national plans to ensure the ambitions set out in the Corporate Plan are realistic and achievable.

The Business Plan covers a three-year period but will be revised and updated annually. Detailed monitoring of progress against key tasks and outcome measures is undertaken regularly by General Management Team and reported to Members on a quarterly basis via Members Matters. Cabinet and Overview and Scrutiny Committee will also occasionally receive high level reports on progress against Corporate Plan priorities as required and as part of action planning, target setting and outturn reporting.

Business Plan – Performance Indicators and Key Tasks for Improvement

The critical success indicators (CSI), key performance indicators (KPI) and the key tasks and priorities for improvement (actions) are considered in detail below for approval.

MEASURES OF PERFORMANCE AND SERVICE DATA (Extract)

CRITICAL SUCCESS INDICATORS (CSI)

Priority leaders work corporately to **define** the **outcome objective** for each priority area and have **identified outcome indicator(s)** which will be **Critical Success Indicators**. There will be a maximum of two CSI for each corporate priority.

Indicator Description (Pentana Code)	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Future Years	Indicator Owner and Comments (incl. benchmarking)
Promote healthy and active life styles in every area of Broxtowe (He1)							
Inactive Adults in Broxtowe Borough % (LLLocal_G09)	25.3 (Nov. 2020)	24.7 (Nov. 2021)	22.6 (Nov 2022)	20%	20%	20%	Data from the annual Sport England 'Active Lives Survey'
Air Quality – number of NO ₂ diffusion tube samples with annual mean reading at or below 40 micrograms m ⁻³ (ComS_090)	40 (100%)	40 (100%)	51 (100%)	40 (100%)	45 (100%)	45 (100%)	Head of Environmental Health, Licensing and Private Sector Housing Annual figure.
Come up with plans to renew our leisure facilities in Broxtowe Borough Council (He2)							
Linked to Key Tasks	-	-	-	-	-	-	

Indicator Description (Pentana Code)	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Future Years	Indicator Owner and Comments (incl. benchmarking)
Support people to live well with dementia and support those who are lonely or who have mental health problems (He3)							
Dementia friends trained (ComS_091)	0	10	52	90	90	90	Head of Communities New online Alzheimer Society training in place however data for the number of friends trained this way can't be gathered
Personal wellbeing score (Life Satisfaction) for the borough (out of 10) from Office of National Statistics (ComS_092)	7.3	7.7	Not yet available	8.0	8.0	8.0	Head of Communities Data measures how satisfied people are with their life overall where "0" is not at all satisfied and "10" is completely satisfied. A drop in wellbeing was seen during the pandemic. Data not yet available for 2022/23.

KEY PERFORMANCE INDICATORS

Priority leaders identify two sets of performance indicators namely; **Key Performance Indicators (KPI)** for reporting to GMT and Members; and **Management Performance Indicators (MPI)** for use in business planning and performance monitoring at a service level.

Indicator Description (Pentana Code)	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Future Years	Indicator Owner and Comments (incl. benchmarking)
Food - Respond to specific complaints about practices procedures and conditions which may prejudice health in the short term within 1 working day of receipt, and non-urgent complaints/ requests for advice within 5 working days of receipt. (ComS_041 – number of) and (ComS_050 – (%))	377 100%	238 93%	182 97%	- 100%	- 100%	- 100%	Head of Environmental Health, Licensing and Private Sector Housing Selection of 1, 3 and 5 days responses depending on risk to public health. Figures not set as a target, just response rate. These relate to service requests and are in addition to the proactive advice provided to new business operators.
Infectious Disease - Respond to notifications within 1 working day and requests for advice and information as soon as practicable within 5 working days of receipt. (ComS_042 – number of) and (ComS_051 – (%))	17 100%	12 100%	32 100%	- 100%	- 100%	- 100%	Head of Environmental Health, Licensing and Private Sector Housing Investigated in relation to public health significance. Approach to responses aligned within the whole county. Figures not set as a target, just response rate. Variety of food and water borne illness investigated following formal notifications.

Indicator Description (Pentana Code)	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Future Years	Indicator Owner and Comments (incl. benchmarking)
Air Quality - Inspect authorised/ permitted polluting processes due for inspection in accordance with a pre- planned programme based on risk (ComS_055)	100%	86%	100%	100%	100%	100%	Head of Environmental Health, Licensing and Private Sector Housing All undertaken in second half of year. In line with DEFRA guidance inspections and review were undertaken by written and remote means rather than on-site inspections. Monitoring in accordance with risk based programme.

KEY TASKS AND PRIORITIES FOR IMPROVEMENT 2024/25 – 2026/27 INCLUDING COMMERCIAL ACTIVITIES

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
Produce DEFRA Annual Air Quality Status Report 2024 COMS2223_05.2	Council has a fit for purpose Air Quality Status Report	Nottinghamshire authorities	Head of Environmental Health, Licensing and Private Sector Housing Officer June 2024	Within existing budget

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
Work with Liberty Leisure Limited to develop and implement a Leisure Facility Strategy BBC2022b	Develop a financial model for identified new facilities To have a strategy that details maintaining the provision of 3 leisure facilities with a costed timetable to replace two of the existing facilities	Leisure Consultants Liberty Leisure Ltd	BBC Deputy Chief Executive Liberty Leisure Managing Director	Budget implications will be determined on completion of the Leisure Facilities strategy
Develop and deliver the Cultural Strategy 2023/26 CCCS2326_E01	Increase the number of local people accessing a cultural service	Broxtowe Borough Council Parish Councils Hemlock Jubilee Committee	Communications, Cultural and Civic Services Manager Cultural Services Manager April 2023 to March 2026	The Cultural Strategy 2023-26 was approved by Cabinet on 25 July 2023. A key action is a mapping exercise to understand existing cultural activities and organisations

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
Deliver Museum Strategic Plan 2023/26 CCCS2326_H01	Increase the number of local people accessing the museum	The D.H. Lawrence Society University of Nottingham Broxtowe Borough Council	Communications, Cultural and Civic Services Manager Cultural Services Manager April 2023 to March 2026	New forward plan has been developed and will be reviewed annually, with a specific focus in 2024 on recommendations made as part of the museum reaccreditation process. Consideration will be given to a potential increase in admission charges as part of Overview and Scrutiny Review, identifying and applying for external funding and increased promotion of the museum shop to increase income.

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
Produce and deliver the Broxtove Health and Wellbeing Action Plan 2023/27 (BHWP) (New)	Working with partners to deliver services to improve the health and wellbeing of residents in the Borough. The plan combines work focussed on supporting:- <ul style="list-style-type: none"> • Armed Forces • Children and Young People • Dementia • Health • Mental Health • Older People • Child Poverty • Tobacco Control • Access to Food • Learning Disabilities 	Broxtove Health Partnership	December 2027	The plan draws in approx. £55,000 in grants and in kind contributions from partners

LINK KEY TASKS AND PRIORITIES FOR IMPROVEMENT TO THE FINANCIAL BUDGETS

Priority leaders should ensure that key tasks and priorities (including commercial activities) that have a financial implication are included in the analysis below.

Revenue and Capital Budget Implications/Efficiencies Generated	Pentana Action Code	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £
Budget Implications				
-	-	-	-	-
Efficiencies Generated				
Broxtowe Health and Wellbeing Action Plan 2023-27 (Partner Contributions funding and in kind £35k funding and £20k in kind)	BHWP	55,000	55,000	55,000
New business/increased income				
Anticipated income from Stapleford Town Council to support the Events Programme	-	(9,000)	(9,000)	(9,000)
Anticipated income from Eastwood Town Council to support the Events Programme	-	(13,350)	(13,350)	(13,350)
Anticipated income from ground rent/sponsorship (this is used to further enhance the events)	-	(11,350)	(11,350)	(11,350)
Net Change in Revenue Budgets		*Note	*Note	*Note

* Budget implications to be considered and confirmed once external grants and partner contributions are confirmed

LIBERTY LEISURE BUSINESS PLAN 2024/27Introduction

An extract of the proposed Liberty Leisure Business Plan is provided below includes the relevant critical success indicators (CSI), key performance indicators (KPI) and the key tasks and priorities for improvement (actions) that are required to be approved by this Committee.

In an attempt to streamline the reporting process, the extract does not include the regular information and data relating to:

- published strategy and policy documents supporting the delivery of priorities and objectives;
- service level objectives;
- contextual baseline service data;
- management performance indicators (MPI); and
- summary of key risks.

This information will be added to the extract below and included in the full Business Plan that will be published on the Council's website in advance of the financial year.

Background

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.

The 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 the Council in the Service Agreement and the original five-year Business Plan.

The priority of the company is to deliver an efficient service for the Council while continuing to make contributions to the Council's Corporate Plan priority of 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 and its own operational strategies. These documents align the work of Liberty Leisure Limited with other local, regional and national plans to ensure the company's work is of a high quality and contributes to wider objectives.

The business plan covers a three-year period but will be revised and updated annually. A suite of milestones and Key Performance Indicators (KPI) will be used to monitor progress against key tasks and targets.

Liberty Leisure Limited's values that contribute to the Council's 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 the Council'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

Business Plan – Performance Indicators and Key Tasks for Improvement

The critical success indicators (CSI), key performance indicators (KPI) and the key tasks and priorities for improvement (actions) are considered in detail below for approval.

MEASURES OF PERFORMANCE AND SERVICE DATA (Extract)

Indicator Description (Pentana Code)	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	237,626	913,122	974,368	900,000	700,000	705,000	Managing Director 200,000 attendances are lost from Kimberley
Total number of members (fitness and swim school) LLLocal_G12	1,410	7,149	7,214	8,170	5,650	5,850	Managing Director Business Manager Targets are taken from the annual sales forecasting Target for 2024/25 (and on) Gym BLC = 2,680 (2,790) Gym CO = 470 (500) Gym Exercise Referral = 284 (339) Swim School = 2,150 (2,180)
Total Number of Annual Direct Debits Collected LLLocal_G06	16,923	69,199	81,571	94,000	Gym = 40,450 Swim = 25,500	69,900 Gym = 43,900 Swim = 26,000	Managing Director Business Manager Targets are taken from the annual sales forecasting
Percentage of direct debits collected LLLocal_G13	97.8%	98.1%	96.8%	98.4%	98.4%	98.4%	Managing Director Business Manager
Total Income (excluding management fee) LLLocal_G05	£3.350m	£2.955m	£3.026m	£3.249m	£2.476m	£2.588m	Managing Director Income is dependent on membership growth which will be impacted by a decision to replace the gym equipment

Indicator Description (Pentana Code)	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	£4.118m	£3.466m	£3.886m	£3.754m	£2.961m	£3.033m	Managing 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	£0.995m	£0.850m	£0.745m	£0.519m	£0.369m	£0.219m	Managing Director
Subsidy per visit all service areas LLLocal_G07	57.8p	49.7p	48.1p	57.7p	52.7p	31.1p	Managing 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	The Company's reserve is forecast to be in deficit during the 2026/27 financial year New performance indicator 2024/25

KEY TASKS AND PRIORITIES FOR IMPROVEMENT 2024/25 – 2026/27 INCLUDING COMMERCIAL ACTIVITIES

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target 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	Managing 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
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	Managing 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

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
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, it 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
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 	Managing Director	Support services required by the company will be reduced in 2024/25 including: <ul style="list-style-type: none"> • Fewer ICT assets required and a reduced demand on the support services • Reduced employees requiring processing by Payroll • Reduced employees 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

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
<p>Develop a business case to support Liberty Leisure Limited operating the new Hickings Lane Pavilion LL2427_G05 (New)</p>	<p>Liberty Leisure Ltd to operate a financially sustainable facility at Hickings Lane from 2025/26</p>	<p>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</p>	<p>Managing Director Regeneration Projects Manager (BBC) Operations Manager Start April 2023 End August 2024</p>	<p>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</p>
<p>Support Broxtowe Borough Council in the development of a new leisure facility at the Bramcote site LL2225_G01</p>	<p>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</p>	<p>Broxtowe Borough Council</p>	<p>Managing Director / Operations Manager April 2022 to March 2027</p>	<p>Liberty Leisure Ltd will:</p> <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

Action (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangement	Officers Responsible / Target Date	Budget Implications / Efficiencies / Other comments
<p>Grow fitness memberships LL2326_G01a</p>	<p>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</p>	<p>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'</p>	<p>Managing Director Business Manager Start: April 2021 End: March 2026</p>	<p>Income from fitness is derived from Direct Debits from different standard membership categories; Exercise Referral and Annual Memberships ACTUAL March 2023 = £1,204k TARGET</p> <ul style="list-style-type: none"> • March 2024 = £1,320k • March 2025 = £930k (No Kimberley) • March 2026 = £976k • March 2027 = £1,010k <p>LLL will implement 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.</p>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
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Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Expand Exercise Referral opportunities LL2427_G06 (New)</p>	<p>Increase the number of people on the exercise referral programme</p>	<p>Primary Care Network Refer All (Exercise Referral Management Software) Carbon Group</p>	<p>Managing Director Start: April 2024 End: March 2026</p>	<p>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 with March 2024 = £75k; March 2025 = £72k (No Kimberley); March 2026 = £87k; and March 2027 = £95k All referral members/income are included in the Grow Fitness Memberships Business Action</p>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Grow Swimming Incomes LL2427_G07 (New)</p>	<p>Increase the operational income from Liberty Leisure Ltd Swim School, NCC School Swimming and the public swimming programme at Bramcote Leisure Centre</p>	<p>Notts County Council Gladstone Leisure Management System Carbon Group</p>	<p>Managing Director Operations Manager Duty Manager (Swimming) Start: April 2024 End: March 2025</p>	<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> <p style="text-align: right;">Continued...</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	Managing 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	Managing Director Business 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	Managing Director Business 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	Managing Director Business 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: 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
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	Managing 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
School Swim and Chilwell Joint Use	(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 Kimberley Gym and Swim
Reserve	(400,999)	(443,859)	(348,658)	(165,350)	36,940	Any redundancy payments relating to the restructure of the Management Team are additional expenditures to be taken from the reserve