

Liberty Leisure Ltd Update Quarter 1: 2024-25

Sales and Attendances

1. Fitness Memberships

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

Actions to Grow Memberships

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

2. Swim School Memberships

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

Actions to Grow Memberships

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

3. Membership Totals

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

4. Attendances

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

5.Finance 2024-25

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

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

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

7. Transfer from Balances

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

8. Reserves

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

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

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

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