

Report of the Liberty Leisure Limited – Business Director

Liberty Leisure Limited 2024-25 Q3 Business Plan Progress Report

1. Purpose of Report

For the Advisory Shareholder Sub Committee to note the Liberty Leisure Limited business plan progress report for quarter 3 (Q3) 2024-25.

2. Recommendation

The Advisory Shareholder Sub Committee is asked to NOTE the Q3 Business Plan Progress Report.

3. Detail

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

The business plan progress report is detailed in the **Appendix** of this report.

4. Financial Implications

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

The performance of Liberty Leisure Limited and the achievement of its Business Plan actions will have a direct impact on the company's financial position. Further details are included in the report.

5. Legal Implications

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

There are no direct legal implications arising from this report

6. Human Resources Implications

Not applicable.

7. Union Comments

Not applicable.

8. Climate Change Implications

There are no 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**Liberty Leisure Q3 Business Plan Progress Report****1. Background - Corporate Plan**

The Corporate Plan for 2024-2028 was approved by Council on 10 July 2024. It has been developed setting out the Council's priorities to achieve its vision to make "A greener, safer, healthier Broxtowe where everyone prospers." Over the next few years, the Council will focus on the priorities of Housing, Business Growth, Community Safety, Health and Environment.

The Council's Local Authority Trading Company, Liberty Leisure Limited, is guided by the Service Agreement and its company strategies. These documents align the work of Liberty Leisure Limited with other local, regional and national plans to ensure the company's work contributes to wider objectives. These include the Council's Corporate Plan that prioritises local community needs and resources are directed toward the things they think are most important. These needs are aligned to ensure the ambitions set out in the Council's Corporate Plan are realistic and achievable.

2. Business Plans

The Liberty Leisure Limited Business Plan is reviewed annually. The Business Plan 2024-2027 was approved by the Liberty Leisure Limited Board in January 2024. The Liberty Leisure Limited Business Plan 2024-2027 was noted at Full Council on 6 March 2024.

The Liberty Leisure Limited Business Plan links to the Council's corporate priority of Health that was approved by Council on 6 March 2024. The Council's priority for Health is 'Healthy and supported Communities'. Its objectives are to:

- Promote active and healthy lifestyles in every area of Broxtowe (He1)
- Develop plans to renew our leisure facilities in Broxtowe (He2)
- Support people to live well with dementia and support those who are lonely or have mental health issues Broxtowe (He3)

The Liberty Leisure Limited Business Plan details the projects and activities undertaken in support of the Corporate Plan 2024-2028 for each the Council's Health priority areas.






3. Performance Management

This report provides a summary of the progress made to date on key tasks and priorities for improvement in 2024/25 (as extracted from the performance management system). It also provides the latest data relating to Key Performance Indicators (KPIs).






The Council and Liberty Leisure Limited monitor performance using the performance management system. Members have been provided with access to the system via a generic user name and password, enabling them to interrogate the system on a 'view only' basis. Members will be aware of the red, amber and green traffic light symbols that are utilised to provide an indication of performance at a particular point in time.

The key to the symbols used in the performance reports is as follows:



Action Status Key




| Icon | Status | Description |
|-------------------------------------------------------------------------------------|-------------|-------------------------------------------------------------------------------------------------------------------|
|  | Completed | Action/task has been completed |
|  | In Progress | Action/task is in progress and is currently expected to meet the due date |
|  | Warning | Action/task is approaching its due date (and/or one or more milestones is approaching or has passed its due date) |
|  | Overdue | Action/task has passed its due date |
|  | Cancelled | Action/task has been cancelled or postponed |




Performance Indicator Key

| Icon | Performance Indicator Status |
|-------------------------------------------------------------------------------------|------------------------------|
|  | Alert |
|  | Warning |
|  | Satisfactory |
|  | Unknown |
|  | Data Only |



Liberty Leisure Limited- Performance Indicators 2024/25


| Status | Code / Indicator | Frequency | 2022/23 Achieved | 2023/24 Achieved | 2024/25 Q3 Value | 2024/25 Q3 Target | Notes |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------|---------------------|---------------------|------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Data Only  | LLData_G05 Management Fee from the Council to Liberty Leisure Limited | Annually | £ 700,000 | £ 519,000 | £123,000 | £276,750 | The company manage its finances through a monthly cash flow review. The management fee is requested when the company's balance is forecast to fall below £400k. In 2024/25 so far LLL has requested £123k+VAT with the remaining £269+VAT to be requested in Q4. |
| Green  | LLLocal_G02 TOTAL Attendance - Liberty Leisure Limited (ALL) | Monthly | 948,068 (incl. KLC) | 927,716 (incl. KLC) | 570,833 | 525,000 (Q3) | Achieving target for attendance across Swim, fitness and exercise referral Actual Total Attendance 2023/24 = 927,716 which included Kimberley Leisure Centre (KLC) Target dropped by 200,000 attendances, due to the loss of Kimberley Gym & Swim Estimated GSCC figures for September 27,464 attendances up from quarter target. Significant increase in both outdoor and sports hall activities Q1 – 189,164 Q2 – 178,653 Q3 – 202,464 Q1 to Q3 total 570,281 (45,281 ahead of target) |






| Status | Code / Indicator | Frequency | 2022/23 Achieved | 2023/24 Achieved | 2024/25 Q3 Value | 2024/25 Q3 Target | Notes |
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| Green  | LLLocal_G04 Operating Expenditure - Liberty Leisure Limited (Including central charges) | Monthly | -£3,886k | -£3,907k | - £ 1,981k | - £ 2,159k | <p>The company is managing its expenditures through the implementation of further efficiency measures however some costs are increasing, such as staff costs from the annual pay award. There have been particular savings this year on staffing due to a management restructure, insurance cost reduction and a business rates rebate.</p> <p>Forecasted decrease of £64k expenditure by the end of year compared to target.</p> <p>The latest budget revision forecasts a £147K improvement on the original budget for 2024/25</p> <p>Q1 - £614k Q2 - £686k Q3 - £593k</p> |
| Green  | LLLocal_G05 TOTAL Income (excluding Management Fee) - Liberty Leisure Limited | Monthly | £3,071k | £3,356k | £1,957k | £1,844k | <p>Includes expenditure for redundancy in April 2024. Income is slowly increasing month on month through growing memberships and exercise referral sales, whilst the company navigates the loss of Kimberley Leisure Centre.</p> <p>Forecasted increase of £83k income by the end of year compared to target.</p> <p>Q1 - £639k Q2 - £691k Q3 - £660k</p> |
| Red  | LLLocal_G06 DD Total Number of Annual Direct Debits collected | Monthly | 81,571 | 83,767 | 46,727 | 49,455 | <p>Slightly below target for number of collected Direct Debits, however, due to increased yield per member, we have achieved revised income target.</p> <p>Targets will be reviewed for the next financial year.</p> <p>Targeted marketing in place to help increase sales.</p> |




| Status | Code / Indicator | Frequency | 2022/23 Achieved | 2023/24 Achieved | 2024/25 Q3 Value | 2024/25 Q3 Target | Notes |
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| Green  | LLLocal_G07 Subsidy per Visit - all service areas | Annually | £0.74 (incl KLC) | £0.56 (incl KLC) | | £0.53 | Management fee received by Liberty Leisure Limited divided by attendances. Subsidy includes Kimberley Leisure Centre up to 2023/24. Calculated annually due to timing of large payments not being equal throughout the year. However due to outperforming attendance targets to date, the subsidy is set to be lower than the 2024/25 target. |
| Amber  | LLLocal_G12 Total number of members (Fitness and Swim School) | Monthly | 7,727 | 6,166 | 5,549 | 5,650 | 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. Quarter 1 achieved 5,624 Quarter 2 achieved 5,610 |
| Green  | LLLocal_G13 Percentage of Direct Debits collected | Quarterly | 96.8% | 96.4% | 98% | 98.4% | Number of direct debits successfully collected has increased from the previous year and is on track to achieve the 2024/25 target. This may be explained by the increase in exercise referral and swim school memberships. |



Liberty Leisure Limited – Actions 2024/25

| Status | Code and Action | Action Description | Progress | Due Date | Comments |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| In Progress  | LL2326_G01a Grow fitness memberships | To continue to recover income lost during the lockdowns by increasing direct debit collections from fitness and gym school membership | 85%(Q1) 69% (Q2) 73% (Q3) | Mar-2026 | <p>Transferred a number of Kimberley Gym & Swim members across to Bramcote Leisure Centre. Membership levels across Bramcote and Chilwell are on target.</p> <p>Currently 143 members below end of year target at the end of Quarter 3. Targets are on track across both sites, planned targeted marketing to help increase memberships.</p> <p>A review of year 2 and 3 programme has been undertaken. Additional milestones for the last year added. The progress reports is calculated for the full year's programme and was previously reported at a higher value.</p> |
| In Progress  | LL2326_G01b Grow Swim School memberships | Complete a review with the aim of increasing the total number of people learning to swim and to improve the efficiencies in delivering the Swim School programme | 88%(Q1) 37% (Q2) 72% (Q3) | Mar-2026 | <p>Transferred a number of Kimberley Gym & Swim members across to Bramcote Leisure Centre. Membership levels at Bramcote are on target.</p> <p>Currently 42 members above end of year target at the end of Quarter 3.</p> <p>This is an ongoing project to ensure we increase and maintain membership levels.</p> <p>A review of year 2 and 3 programme has been undertaken. Additional milestones for the last year added. The progress reports is calculated for the full year's programme and was previously reported at a higher value.</p> |

| Status | Code and Action | Action Description | Progress | Due Date | Comments |
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| <p>In Progress</p>  | <p>LL2225_G01 Support Broxtowe Borough Council in the development of the Leisure Facilities Strategy</p> | <p>Liberty Leisure Limited provide operational expertise to the Council to ensure that any new facilities have an achievable business plan, that design and layout will meet customer expectation and enable efficiencies to be achieved</p> | <p>10%</p> | <p>Ongoing</p> | <p>The company have provided facility mix and financial related data to the council's leisure consultant with regard to a new build leisure centre at the Bramcote site. Work on the Leisure Facilities Strategy is ongoing.</p> <p>Below is a summary for each site: Kimberley Leisure Centre – this is no longer operated by LLL, with the centre closing for business on 01/04/2024. The Company is now delivering Exercise Referral from the Greasley Sports and Community Centre, in partnership with that site. Bramcote Leisure Centre – this is performing well considering the age of the facility, however, due to the facility being circa 60 years old, it does suffer from ongoing maintenance issues. New Bramcote Leisure Centre – this is currently moving forward well with a pre-planning submission currently taking place. The project continues to aim for a RIBA stage 4 completion by April 2025. Chilwell – As Members will be aware, this is a joint use facility, with the Academy being identified for a proposed new school building. Currently there are no further details available, however, the Academy continue to work well with LLL and have indicated that they are keen to continue this partnership in the future which includes LLL managing the school room hire bookings.</p> |

| Status | Code and Action | Action Description | Progress | Due Date | Comments |
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| In Progress  | LL2225_G01 Support Broxtowe Borough Council in the development of the Leisure Facilities Strategy | Liberty Leisure Limited provide operational expertise to the council to ensure that any new facilities have an achievable business plan, that design and layout will meet customer expectation and enable efficiencies to be achieved | See above | See above | Hickings Lane – the Council is progressing with the build on site. LLL are involved from an operators' perspective and attend regular meetings, in order it can help shape the offer of activities hirers. Currently the project is progressing with the procurement for key areas e.g. café and early years. When current new builds are completed (New Bramcote and Hickings Lane) it is hoped further discussions regarding the options in the north of the borough, can be explored. |
| In Progress  | LL2427_G02 Investigate the possibility of adopting the 'Agency Agreement' model for the operating leisure services | Review the possibility of minimising the operators VAT liability | 0% | Mar-2027 | Decision to extend and review in the next financial year. |
| In Progress  | LL2427_G03 Review the support services and charges provided by Broxtowe Borough Council | Rationalise the support services provided to the company by BBC so that there are improved financial and operational efficiencies | 47% | Mar-2027 | Ongoing reviews with Heads of Service to review charges for 2024/25 and to review process moving forwards. |
| In Progress  | LL2427_G04 Alternative leisure provision in the north of the Borough | New leisure provision in the north of the Borough | 66% | Mar-2027 | Partnership with Greasley Sports and Community Centre has been set up, with weekly classes held on site by the Get Active team. Cabinet approved a Bursary Scheme in September 2024. The scheme includes £4k for Boccia and Nordic Walking, which is being coordinated by our Active Lifestyles Manager. SMS campaign to promote more referrals in to Greasley has been completed in the North of the Borough |
| In Progress  | LL2427_G05 Develop a business case to support Liberty Leisure Limited operating the new Hickings Lane Pavilion | Liberty Leisure Limited to operate a financially sustainable facility at Hickings Lane from 2025/26 | 82% | Oct-2025 | Ongoing discussion with procurement to find a provider for café and early years' provision. The LLL Board has approved in principle that LLL will operate the facility providing assurances are given by the Council. Next steps are the procurement of gym equipment and appointing staff |

| Status | Code and Action | Action Description | Progress | Due Date | Comments |
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| In Progress  | LL2427_G06 Expand Exercise Referral opportunities | Increase the number of people on the exercise referral programme | 75% | Mar-2026 | Exercise Referral memberships are exceeding target. Ongoing partnership with the PCN who are actively sending SMS messages to promote LLL services. The PCN has supported LLL to get more people into Greasley Sport and Community Centre. The PCN decided all partners are going to contribute to a co-produced map across the Borough to help with referral opportunities |
| In Progress  | LL2427_G07 Grow swimming incomes | Increase the operational income from Liberty Leisure Ltd Swim School, NCC School Swimming and the public swimming programme at Bramcote Leisure Centre | 62% | Mar-2025 | <ul style="list-style-type: none"> • Changed public swimming timetable based on feedback from customers to increase attendance. • Improved the customer experience by implementing online timetables for swimming as well as online joining for foundation, parent and child and parent and baby classes. Currently looking at introducing Stage 1 and 2 to online joining. • Promotion of swimming lessons and gym memberships at Play Days in summer 2024. |
| In Progress  | LL2427_G08 Implement price changes | Increase the overall operational income to mitigate against expenditure increases and a reduction in the management fee received from Broxtowe Borough Council | 82% | Mar-2027 | Price changes implemented for 2024/25. Currently reviewing price changes for 2025/26 to be agreed by the Board. |

| Status | Code and Action | Action Description | Progress | Due Date | Comments |
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| In Progress  | LL2427_G09 Implement updated digital sales and bookings processes | Improve the ease of bookings to support the increase sales and attendances at the Liberty Leisure operated sites | 91% | Mar-2025 | <ul style="list-style-type: none"> • Completed a customer survey to identify pain points for customer experience. Removed waiting lists • Implemented a Chat Bot (BOB AI) to encourage online joining and respond to queries, also reducing admin time. • Added online timetables to the website that pull through via an Application Programming Interface (API) • Amended the website for swimming lessons and online joining which has streamlined the customer journey and ability to join swim lessons online. 74 online swim school joiners by end of quarter 2. • Reviewing the APP for marketing automation and improved customer journey |
| Completed  | LL2427_G10 Rationalise and renew the existing gym equipment estate across Liberty Leisure Limited operated facilities | 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 | 100% | Aug-2025 | The implementation of this action has been delayed currently, as the timing of the new equipment needs to coincide with the facility developments. Whilst a provisional estimate of £521k has been included on the Reserve List of the Council's Capital Programme 2024/25 for this action, the final estimate will change due to circumstances relating to price inflation and supply. The equipment upgrades will need to be delivered alongside the Hickings Lane Pavilion and LLL are currently reviewing the costs and timeline required to give the maximum value for money. Equipment delivered in August 2025 will require consultation, procurement and lead times. Due date is to align with anticipated facility developments. |