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Monday, 14 January 2019

**Chairman: Councillor R Jackson
Vice-Chairman: Councillor N Mison**

Members of the Committee:

**Councillor M Cope
Councillor Mrs R Crowe
Councillor Mrs G Dawn
Councillor Mrs L Hurst
Councillor D Staples
Councillor Mrs L Tift
Councillor Mrs A Truswell
Councillor K Walker
Councillor T Wendels
Councillor Mrs Y Woodhead**

Substitute Members:

**Councillor Mrs I Brown
Councillor J Lee
Councillor P Peacock
Councillor D Thompson
Councillor I Walker**

MEETING: Leisure & Environment Committee
DATE: Tuesday, 22 January 2019 at 6.00 pm
**VENUE: Civic Suite, Castle House, Great North Road,
Newark, Notts, NG24 1BY**

**You are hereby requested to attend the above Meeting to be held at the time/place
and on the date mentioned above for the purpose of transacting the
business on the Agenda as overleaf.**

If you have any queries please contact Catharine Saxton on catharine.saxton@newark-sherwooddc.gov.uk.

AGENDA

Page Nos.

1. Apologies For Absence
2. An apology for absence was submitted on behalf of Councillor
Declarations of Interest by Members and Officers and as to the Party Whip
3. Declaration of any Intentions to Record the Meeting
4. Minutes of Previous Meeting 4 - 10
5. Newark and Sherwood Clinical Commissioning Group Presentation

Amanda Sullivan – Accountable Officer, will provide the presentation on behalf of Newark and Sherwood Clinical Commissioning Group (CCG)

Part 1- Items for Decision

6. Active4Today - Final Business Plan 11 - 51
7. Leisure & Environment Committee Revenue Budget 2019/2020 52 - 66
8. Commercials Project - Garden Waste Business Case 67 - 88
9. Authorisation of Officers 89 - 93
10. Hawtonville Community Centre Management Progress Report 94 - 97

Part 2- Items for Information

11. Leisure & Environment Committee Forward Plan (February 2019 to January 2020) 98 - 99
12. Health & Wellbeing Verbal Report

Confidential and Exempt Items

13. Exclusion of the Press and Public

To consider resolving that, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of part 1 of Schedule 12A of the Act.
14. Southwell Leisure Centre Trust 100 - 104

Agenda Item 4

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Leisure & Environment Committee** held in the Civic Suite, Castle House, Great North Road, Newark, Notts, NG24 1BY on Tuesday, 13 November 2018 at 6.00 pm.

PRESENT: Councillor R Jackson (Chairman)
Councillor N Mison (Vice-Chairman)

Councillor M Cope, Councillor Mrs R Crowe, Councillor Mrs L Hurst, Councillor D Staples, Councillor Mrs L Tift, Councillor Mrs A Truswell, Councillor K Walker, Councillor T Wendels and Councillor Mrs Y Woodhead

25 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

Councillor T Wendels declared a personal interest in Agenda Item 5 – Active4Today Business Plan as he is a Southwell Leisure Centre Trustee.

Councillor Mrs A Truswell declared a personal interest in Agenda Item 5 – Active4Today Business Plan as she is a Director for Active4Today.

26 DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

27 MINUTES OF PREVIOUS MEETING

AGREED that the Minutes of the meeting held on 18 September 2018, be approved as a correct record and signed by the Chairman.

28 ACTIVE4TODAY BUSINESS PLAN

The Committee considered the report presented by the Director of Customers and Managing Director – Active4Today, which presented the Active4Today Draft Business Plan 2019/20 and updated the Committee on the Company's latest quarterly performance.

The Chairman asked whether the Newark & Sherwood Physical Activity and Sports Plan 2018 – 2021, which was considered as the following agenda item at the meeting, be incorporated into the Active4Today Business Plan. The Managing Director - Active4Today confirmed that the content of the Newark & Sherwood Physical Activity and Sport Plan 2018 – 2021 would be assessed and looked at in terms of delivery; flexibility would be required due to the Active4Today Business Plan currently operating for a one year period only.

A Member made reference to the Newark Sports Council Annual General Meeting

(AGM) and asked if there was an Ollerton Sports Forum in existence. The Managing Director – Active4Today confirmed that he would seek confirmation of this; however, he did understand one did exist. He confirmed that all Sports Forums were run by volunteers from clubs, with Active4Today providing only secretariat support to the meetings; the Managing Director confirmed he would clarify the position and feedback that information to Members of the Committee.

A Member sought clarification as to whether GP referrals were still undertaken. It was confirmed that the referrals did take place, although not to the numbers previously seen; conversion rates were good as patients were being referred and were staying with the programme. In the past there was a higher referral rate but a 80% drop off rate. It was confirmed that banners were displayed in GP surgeries and a Leisure Officer periodically attended GP surgeries to promote the leisure services available. People can however, now self-refer onto pay and play classes including seated exercise and stroke-ability; these classes are well attended, by approximately 150 people per week. The Managing Director then informed the committee that he was going to look at another GP referral scheme over the next few weeks, which operated in another authority in partnership with the Clinical Commissioning Group (CCG). This scheme attracts funding of £750,000 per annum and is a preventative measure against bariatric surgery. Feedback will be provided to the Committee regarding that work.

A Member sought clarification regarding Wellow House School, the continuing swimming programme and proposed dry side usage and asked whether the dry side usage would compromise the Dukeries leisure centre. The Managing Director Active4Today confirmed that they were trying to broaden Active4Today's remit to get people more active. Discussions were taking place with the school Head regarding car parking at the school. Options available were being pursued including the possibility of car parking at the front of the school. Any changes made would be in conjunction with the Service Level Agreement.

A Member suggested an amendment for recommendation (a) which was subsequently agreed.

AGREED (with 9 votes For and 2 Abstentions) that:

- a) the Committee considered the Active4Today Draft Business Plan 2019/20 and asked the company to work with Council Officers to align its targets with the priorities which are approved for the Newark & Sherwood Sport and Activity Plan 2018/21 and provide a report to the January meeting of the Committee;
- b) the Quarter 2 performance be noted;
- c) Active4Today provides the January committee meeting with its latest in-year financial position and full year forecast in order that the Committee can form judgements on the appropriateness of the management fee payable in 2019/20; and
- d) the Committee approves the proposed reduction in the management fee payable to Southwell Leisure Centre Trust by £15,000 from

2019/20 and the remaining 50% of the management fee for Southwell being held in abeyance this year is paid.

29 NEWARK & SHERWOOD PHYSICAL ACTIVITY AND SPORT PLAN 2018 - 2021

The Committee considered the report presented by the Community Projects Manager which sought Committee approval for the adoption of the updated Newark & Sherwood Physical Activity and Sport Plan 2018 to 2021.

The Community Projects Manager informed the Committee that the Plan had been considered by the Corporate Management Team that morning and an amendment was proposed to the Vision to reflect the Plan's focus on addressing health inequalities in priority areas of the District.

A Member commented that whilst he supported in principle the plan, the plan did not provide the detail regarding how the plan would be delivered.

The Community Projects Manager confirmed that the plan did not include the detail regarding specific work programmes; however these would be established over time after discussions had been undertaken with Active4Today and other key community and voluntary sector partners, to look for them to lead on them. It was confirmed that the plan was not a focus on sport, but an emphasis to get people active through engagement in appropriate physical activities. Implementation plans would be developed over time and an annual review would be undertaken and reported back to the Committee.

A Member commented that whilst he agreed with the philosophy of the plan, if there were no resources to implement the plan he could not see how the plan could be delivered and subsequently make a difference to people's lives. A plan was needed regarding how the plan would be delivered and where the resources would come from.

A Member sought clarification regarding the approach to encourage obese people to engage in sport/physical activity, as they may be uncomfortable about their size, especially young people through peer group pressure. Another Member also suggested that school meals could be addressed to make them more inspirational as healthy did not have to be dull.

The Community Projects Manager confirmed that the Council would work closely with schools and partners to make sport and physical activity more attractive and accessible to children that are or are at risk of becoming overweight/obese. The local community would be engaged to see how behavioural change could be made to change attitudes to physical activity and sport.

AGREED (unanimously) that the Newark & Sherwood Physical Activity and Sport Plan 2018 – 2021 be approved and adopted.

30 UPDATE ON THE CLEANER, SAFER, GREENER CAMPAIGN

The Committee considered the report presented by the Strategic Development
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Manager which detailed the progress made since the successful launch of the campaign in July 2018 and the activities to date and upcoming activities for the Cleaner, Safer, Greener Campaign.

AGREED that the report be noted and further updates be brought back to Committee.

31 PROGRESS REPORT: NEWARK & SHERWOOD YMCA COMMUNITY AND ACTIVITY VILLAGE

The Committee considered the report presented by the Community Projects Manager which updated Members in respect of building progress at the Newark & Sherwood YMCA Community and Activity Village.

Members were informed that on 6 April 2017, Policy & Finance Committee agreed that specified S106 monies held by the Council, be allocated to the YMCA in respect of the Community and Activity Village. Those monies were subsequently added to the Council's Capital Programme. The YMCA commenced Phase 1 work at the above site in May 2018 and it was reported that they had made good progress to date. The report detailed progress to date regarding Phases 1 and 2 of the scheme. The report also provided an update regarding the land at Elm Avenue (the Stadium) and following the meeting of the Policy and Finance Committee on 30 November 2017, the land at Elm Avenue had been transferred to the District Council and work was progressing to secure external planning consultants to develop a scheme to seek to secure outline planning consent for residential development and if planning approval was secured, to market and dispose of the site. A sum of £50,000 was set aside to meet the costs of securing consent and subsequently marketing the site. On the disposal of the land 50% of the net capital receipt would be retained by the Council subject to it being ring-fenced to the Community and Activity Village. The remaining 50% would be transferred to the County Council under the terms of the land transfer.

The report also detailed the equalities implications and financial implications (FIN18-19/6048).

A Member asked that the YMCA be thanked for their work.

AGREED (unanimously) that the report be noted.

32 LEISURE & ENVIRONMENT COMMITTEE FORWARD PLAN

The Leisure & Environment Committee Forward Plan was provided for Member information. Members were encouraged to submit any areas of work they wanted to address for the forthcoming year.

NOTED the Forward Plan.

33 HEALTH & WELLBEING

The Leisure & Environment Committee Vice-Chairman informed the Committee that he had attended two Patient and Public Engagement Committees (PPEG) meetings,

one Health and Wellbeing meeting and one Health & Wellbeing Board meeting since the last meeting of the Leisure & Environment Committee.

It was reported that the PPEG Committee was growing and the work plan was being agreed. Work was also being undertaken with the Patient Participation Groups.

The Health & Wellbeing Board had discussed the Nottinghamshire Integrated Care System. He commented that professionals would be located together in Hubs which would encourage joint thinking.

The Vice Chairman thanked the Interim Director for the work undertaken regarding the Health Forum which took place last month.

The Interim Director informed the Committee regarding the health partnership facilitated by the LGA which was delivering the Nottinghamshire Health & Wellbeing. A further partnership workshop would take place on 26 November 2018. The Partnership delivery plan would be brought to the January meeting of the Leisure & Environment Committee.

34 EXCLUSION OF THE PRESS AND PUBLIC

That, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of part 1 of Schedule 12A of the Act.

35 MODULAR POOL AT THE DUKERIES LEISURE CENTRE

The Committee considered the report presented by the Director of Customers which sought Committee approval for the development of a modular pool at the Dukeries Leisure Centre.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

Meeting closed at 7.28 pm.

Chairman

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

LEISURE & ENVIRONMENT COMMITTEE

22 JANUARY 2019

ACTIVE4TODAY – FINAL BUSINESS PLAN, 2019/20 AND PERFORMANCE UPDATE

1.0 Purpose of Report

1.1 This purpose of this report is to present the Active4Today Business Plan 2019/20 and Three Year Pricing Strategy 2019 - 22 for Committee approval and update on the Company's latest quarterly performance.

2.0 Background Information

2.1 At the meeting of Policy & Finance Committee on 29 January 2015 it was resolved to establish a "not for profit" wholly owned leisure company to provide leisure and sports development services on the Council's behalf. This included the three leisure centres; Blidworth, Dukeries and the Newark Sports & Fitness Centre. The Company, Active4Today, was duly incorporated on 9 March 2015. Active4Today commenced operations on 1 June 2015.

2.2 As part of the governance arrangements, Active4Today presents its Business Plan for the following year to the Leisure & Environment Committee for consideration during the Autumn Committee cycle. The Business Plan, 2019/20 and performance reports from Active4Today are **appended** to this covering report. The Business Plan is also aligned to the priorities in the Physical Activity and Sport Plan 2018 - 21 approved by Committee at its meeting 13 November 2018.

3.0 Key issues

Overview of Performance

3.1 Leisure & Environment Committee has overall responsibility for setting the strategic direction of the Company through the annual approval of the Active4Today Business Plan, which sets out the outcomes the Committee wishes the Company to work towards in return for a management fee. Performance is monitored through a framework agreed by Leisure & Environment Committee.

3.2 The best indicators for the underlying strength of the Company are the adult and children's membership bases. As Committee will see from the performance report, there has been an overall increase in membership from 12,617 to 12,641 (plus 24) compared with the corresponding period in 2017. Adult memberships grew by 1.66% increasing from 8,553 to 8,695 (plus 142), although overall children's memberships reduced by 2.9% over the same period from 4,064 to 3,946 (minus 118) largely attributable to the closure of the swimming pool at Dukeries LC and the interim swimming arrangements post closure.

3.3 However, performance at Southwell continues to be positive with strong growth in adult membership increasing by 9.38% from 2,196 to 2,402 members (plus 206) and children's growth of 3.45% increasing from 1,303 to 1,348 members (plus 45) and Committee will be aware that Southwell Leisure Centre Trust (SLCT) agreed to make a £15,000 contribution

towards the costs of the management agreement Active4Today has with the Trust as approved at the Leisure and Environment Committee meeting 13 November 2018.

- 3.4 GP referrals remain consistent and comparable with the corresponding period in 2017 and it is worth recognising that due to emerging self-referral opportunities this has resulted in individuals accessing classes and activities without going through a formal GP Surgery/Health professional referral protocol.
- 3.5 In terms of the Company's finances, Active4Today are in a reasonable position to date and once adjustments have been made to account for commitments, the Company is forecasting a £2,000 surplus at year-end based on performance to date assuming that the balance of the management fee (£60,610) is released by the Council. This is a significant decrease on the £22,000 figure reported to the Committee in November 18.
- 3.6 The downturn in the forecast is due in the main to the anticipated reduction in children's memberships following the announcement that access to the swimming pool at Wellow House School (WHS) terminated on 19 January 2019. This has already had a negative impact on children's memberships at Dukeries Leisure Centre, however, given historical performance, the Council will continue to hold in abeyance the remaining 50% of the management fee budgeted to Active4Today in 2018/19 pending the year-end outturn position.
- 3.7 Based on the above, the Company is forecasting zero income from children's memberships at Dukeries Leisure Centre for quarter 4 given the difficulty to forecast with any accuracy the impact of the withdrawal of the swimming pool facility at WHS other than a reduction in income. The Company is therefore planning for a worst case scenario and will use its best endeavours to retain as much business as possible to protect its current membership base and income stream.
- 3.8 Furthermore the situation will not improve significantly until the proposed new modular pool, anticipated to be opened in early 2020, is operational and accordingly the Company is forecasting a budget deficit of 75K in 2019/20 assuming that the current management fees proposed for 2019/20 are agreed by Committee.

Business Plan, 2019/20

- 3.9 The Active4Today Business Plan, 2019/20 is attached for Committee approval. Active4Today has identified a number of actions it is proposing to undertake with the aim of facilitating the delivery of the three outcomes the Committee set the Company up to achieve, namely: Healthy and Active Lifestyles, Accessible Facilities and Financial Viability.
- 3.10 In addition the Business Plan now includes three new key performance indicators aligned to the recently approved and adopted Physical Activity and Sport Plan 2018 to 2021 (PA&SP) which has identified the need for focussed work in priority areas as detailed within the plan in terms of:
 - reduce childhood obesity in primary school aged children,
 - reduce levels of inactive people, and
 - National Statistics Socio Economic Classifications areas (NSEC 6-8).

The Company has integrated a number of actions in its Business Plan for each of the three objectives and sets out how it will work towards the delivery of those objectives through its programming and activities initially in 2019-20 and then thereafter as both plans evolve. This will encourage increased levels of participation in these groups and thereby contribute to improving health and wellbeing of these residents.

- 3.11 The budgeted management fee for 2019/20 is £121,220, which is the same figure as the current year. Active4Today's financial performance has considerably surpassed the figures contained within the five-year business plan when the Company was set up. Indeed, the Company has posted surpluses in each of its four completed years of trading. As mentioned above, and notwithstanding the latest outturn forecast the Council continues to hold 50% of the budgeted management fee for 2018/19 in abeyance pending the year-end outturn position.
- 3.12 In relation to pricing, the Leisure & Environment Committee is required to approve changes to fees and charges and Active4Today is proposing changes to the pricing structure as detailed in the pricing schedule contained within the Business Plan (page 9) and includes comparison information from competitors.
- 3.13 In addition Active4Today is proposing a three year pricing strategy as detailed within the report, be approved and becomes effective from 1 April 2019. The strategy would be monitored closely and the impact of its implementation reported to Leisure and Environment at regular intervals and reviewed and approved annually through the business planning process, to ensure that its impact is managed effectively.
- 3.14 Committee should note that within the proposed three year pricing strategy the inclusive adult active membership will increase by £2.00 per month, from £29.00 to £31.00 and Xperience One child membership will increase by £1.00 per month from £19.00 to £20.00. However a number of new membership packages are proposed which will offer members a more bespoke offer and will include some new concessions to retain existing members and attract new custom.

Southwell Leisure Centre Trust

- 3.15 In addition to paying a management fee to Active4Today to operate leisure and sports development services, the Council also pays a cash sum to the Company to provide strategic management support to Southwell Leisure Centre Trust, as well as 'donating' a number of central services such as human resources and ICT.
- 3.16 Representatives of the Leisure & Environment Committee were nominated to enter into a dialogue with SLCT and Active4Today about the future arrangements given that the Trust is the recipient of the Active4Today services, which are paid for by the Council.
- 3.17 The total management fee payable for Southwell in 2019/20 is £95,850 of which £80,850 will be contributed by the District Council. Whilst Committee were looking for a three-year programme of savings, the proposed contribution is significant in percentage terms and Committee should consider whether this is acceptable as a first contribution. In year 50% of the management fee for Southwell held back during the period of dialogue has now been paid to SLCT following agreement on the SLCT contribution to the management fee.

4.0 Equalities Implications

4.1 The performance framework includes a range of measures that demonstrate work to improve inequalities in sports and leisure participation. An equality impact assessment completed by the Company will support the Business Plan for 2019/20.

5.0 Financial Implications (FIN18-19/7750)

5.1 The proposed management fee to Active4Today has been built into the 19/20 budget as per the current years support. As outlined at paragraph 3.5, the financial performance of Active4Today reported at the meeting in November 2018 had been strong, however the impact of the loss of pool time at WHS will impact on income and the revised forecasts for year-end performance currently show a £2,000 surplus position. The balance of the management fee is still in abeyance and will be paid over following agreement of the year end position.

5.2 The agreed £15,000 contribution towards the management fee from SLCT will be paid directly to Active4Today with the proposed management fee from NSDC reduced by the agreed £15,000. This has been built into the 19/20 budget and the Medium Term Financial Plan going forward.

5.3 The report refers to a three year pricing strategy for which there is no detailed financial information included within the report or the business plan, relating to the impact of the 3 year strategy. Hence financial implications arising from this are not quantifiable at the moment.

6.0 RECOMMENDATIONS that:

- a) **Committee approve the Active4Today Business Plan 2019/20;**
- b) **Committee consider and approve, in principle the Three Year Pricing Strategy 2019-22, subject to annual approval of the Active4Today Business Plan;**
- c) **Quarter 3 performance be noted;**
- d) **Active4Today presents its 2018/19 outturn report to the June Committee meeting with its full year financial position in order that the Committee can form judgements on the appropriateness of the management fee payable in 2019/20; and**
- e) **Committee note the impact of the loss of swimming pool time at WHS and the anticipated reduction in income that will need to be closely monitored by Active4Today and the Council and reported back to Committee.**

Reason for Recommendations

To ensure the company is delivering the outcomes required by the Council in the most efficient and effective way.

Background Papers

Nil

For further information please contact Matthew Finch on Ext 5716

Matthew Finch
Director - Customers

LEISURE AND ENVIRONMENT COMMITTEE MANAGEMENT REPORT

22nd January 2019

1.0 REPORT PURPOSE

- 1.1 To provide the Leisure and Environment Committee with a performance report for the leisure centre operations up to the end of period 9, with comparison data provided against the same period in the previous year.
- 1.2 To provide the Leisure and Environment Committee with an update of the work being undertaken by the Sports Development team up to the end of period 9.
- 1.3 To provide the Leisure and Environment Committee with the final business plan for 2019/2020.

2.0 BACKGROUND

- 2.1 Members will be aware that reports are provided to the Leisure and Environment Committee against a set amount of performance indicators, which were agreed with the committee; these are set out at Appendix I. Narrative to support these performance indicators is set out at in section 3 of this report; in addition there are a number of areas of the business that have performed well during the first 9 periods of the 2018 – 2019 year and these are also set out below.

3.0 PERFORMANCE

3.1 Performance to Period 9, 1st April 2018 – 31st December 2018:

- a) The performance of the membership base in both adult and children has been varied across all sites since 1st June 2018. This is down to a variety of factors. Adult membership at NSFC has experienced an increase of (255) and stands at 4,557; this is in comparison to December 2017 where the membership stood at 4,302. This is due to the promotions offered to attract new members during the Autumn period and which are set out later within the report.
- b) The children's membership at NSFC has seen a small decrease in comparison to the same period last year however the improvements to the workforce issues experienced during the summer period are now turning around and it is hoped this will now have a positive impact on the children's memberships and numbers will start increasing due to improved continuity and consistency taking place.

- c) Specifically at DLC, the transfer of swimming provision from South Forest to Wellow in May 2018, has continued to have a negative effect across all age groups, with a total reduction in comparison to last year, being a combined net member loss of -156 members. Whilst it was hoped that this was beginning to plateau, there has been a further development between A4T and the Wellow House School and this is set out later within the report.
- d) In comparison to December 2017 the retention of adult members across the sites has fallen slightly. An anomaly to this and surprisingly was at the DLC; for the month of December 2018, their performance on retention had improved to the previous year and they lost fewer members. The children's retention is slightly up however, this is now starting to be impacted on by the Wellow issue. For future reports, it is proposed that a comparison to quarters will be provided to the committee and not months, as this provides a longer period to look and compare against and should provide more stable results.

		December 2018		December 2017	
		Attrition Rate	Retention Rate	Attrition Rate	Retention Rate
Total	Adult	4.27%	95.73%	4.17%	95.83%
	Child	3.19%	96.81%	3.62%	96.38%

Fig 1. Overall Company retention rates for adults and juniors

- e) The total number of user visits has seen a reduction compared to the same period last year. From 1st April to 31st December 2017, there were 729,168 user visits, compared to the same period this year being 660,728. This can partly be attributed to the reduction in the live membership base in both adult and children at Dukeries and children at NSFC. In addition, this is determined by the members 'swiping' their cards at reception. Despite some progress being made with ICT, there has been multiple times when the access gates and turnstiles have been unlocked at BLC and NSFC, which will drastically reduce utilisation figures. The latest issues being the weekend of 5th and 6th January 2019, where all payment and entry systems failed across all sites including Southwell Leisure Centre. The main cause of this e.g. server capacity will hopefully be rectified by the end of January 2019.
- f) The number of visits for 60's plus customers has experienced a slight decline compared to the previous year, up to period 9 from 59,454 in 2017 to 57,662 to the same period in 2018. Whilst it cannot be definitively proven, the decline in usage may also be attributed to the ICT issues experienced within this quarter, as many of the 60 plus user visits are through a membership option, which would not have been recorded in the entry system, at the times when this was not operating correctly.

- g) The number of visits for the 16-18 age groups has also seen a slight decrease in comparison to last year over the whole period of nearly 2,000 visits. Once again, this may be attributed to the ICT issues experienced within the quarter.
- h) The number of visits for under 16's has remained consistent based on the junior membership levels, with monthly average participation for this age group being over 22,000 user visits this year. It is inevitable that the impact of swimming lesson provision at Wellow will reduce this indicator during the next quarter however, it is positive that usage is still consistent at that level, considering the slight drop in junior membership at the NSFC. This does confirm that members are possibly using multiple activities and maximising their membership category.

3.2 In addition to the operations of the leisure centres which are set out above, A4T has undertaken significant Sports Development work across the district and throughout the period of this report. Attached at appendix II is the highlights of the work undertaken by the team.

3.3 **Promotions Undertaken:**

- a) There have been a number of promotional campaigns which have targeted different groups to promote membership sales. These included a 'pay and play' incentive in October, encouraging people who currently pay as they go to join a membership and save money.
- b) In November, the 'Something for Everyone' campaign which promoted the benefits of exercise and the varied programme of activities on offer at the sites.
- c) The new 'Premier' membership was launched on 1st December firstly at NSFC. The initial feedback from this new membership offer has been extremely positive; with members finding the 1-2-1 weekly support from the instructors a real motivator in reaching their fitness and lifestyle goals. To date there are 24 members taking advantage of the additional benefits on offer from this membership.
- d) In December there was a week of activities for children offered in the lead up to Christmas as well as a prize draw, with prizes provided for loyal members as a retention tool. This was very well received by the members and all winners were photographed receiving their gifts and this supported the advertising of the Company through posts on social media.
- e) In anticipation of the implementation of a new pricing structure from 1st April 2019, a new promotional plan will be developed, explaining the benefits and criteria for each membership available. This will include an opportunity for new members to 'beat the increase' and join before April. Promotions will continue to take place throughout the

year and currently A4T are looking forward to October 2019, where promotions for the new swimming pool at the DLC will commence.

4.0 FINANCIAL PERFORMANCE UPDATE TO PERIOD 9

4.1 Members will be aware that, as part of the agreement with Active4Today Ltd, an update on finance is provided by the Company on a regular basis, to ensure the Council can understand the on-going sustainability of the Company. In addition, it allows for early discussions to take place regarding the best way to apportion any additional finance (in the event this occurs), which may have been generated by the Company and can be focused into areas such as additional sports development activities, subsidised usage for target groups, or additional equipment for outreach work.

4.2 Set out in the table below, Active4Today has provided the current financial position of the Company, which is monitored by the Board, as part of its role in managing the operations of the Company. The table below shows the original, revised and profiled budgeted income and expenditure to period 9, set against actual income and expenditure for the same period. The process of revising budgets has commenced within the Company and this is to ensure that the most current and relevant financial information is available to the A4T Board and the L&E Committee.

	Original 2018-19 budget income/ exp	Full Year budget 1 – revised December 2018	Profiled budget - to period 09 31 st December 2018	Actual income and expenditure to period 09	Variance to period 09 profiled budget
Total income	-£2,976,550	-£3,032,856	-£2,318,528	-£2,324,940	-£6,411
- Staff	£1,946,270	£1,975,370	£1,449,1301	£1,422,734	£-26,395
- Premises	£399,940	£410,310	£255,100	£224,479	£-30,621
- Supplies and services	£710,290	£633,359	£420,904	£320,131	£-100,773
Total expenditure	£3,056,500	£3,049,039	£2,125,135	£1,967,344	-£157,790
Transfer from/to balances A4T	-£79,950	£1,777.00	0.00	£0.00	0.00
Transfers from reserves re: Sports Development Projects *	£0.00	-£17,960	£0.00	£0.00	£0.00
Net balance	£0.00	£0.00	£193,392	-£357,595	-£164,202

Fig 2. Current financial information table 2018/2019

4.3 Points to note from the financial information table are:-

Income budgets - There is currently a variance to the profiled budget of £6K. This is in the main due to the adult direct debit income streams continuing to increase at Newark Sports and Fitness Centre.

Salary budgets - This budget is currently underspent to profiled budget by £26K. This is made up of a number of elements due to staff vacancies across the company, relief hours paid in arrears, training budgets to be committed, freelance payments still to be made for December in arrears and estimates made for National Insurance and Superannuation.

Premises budgets - This budget group is currently underspent by £30K mainly due to utility payments due, made one month in arrears to Corona, EDF, British Gas and Water Plus. It is expected that this budget heading will be fully committed at yearend.

Supplies and Services budgets – This budget group is currently underspend by 101K within There are outstanding invoices due to NSDC worth over £50K. This re-charge is still being queried regarding the ICT invoices amounting to £44K; however, once all of the queries have been resolved, this will be paid. There is in addition, marketing budget still to be appropriated to advertising campaigns and due to be rolled out during Q4.

4.4 Summary to period 09:

- a) The current in year surplus as at 31st December 2018 forecasted forward to the end of period 12, 31st March 2019 is estimated to be £2K.
- b) NSDC have now been invoiced for a full year management fee for Southwell LC - £95,850, however, the remaining half year payment is still outstanding for the Sports Development element of the contract, which was identified for A4T, during the March 2018 L&E report. Based on current income and expenditure predictions, the remainder of the management fees will be required by A4T, to continue to operate the company and maintain the current level of reserves and balances.
- c) Due to the recent news regarding the Wellow House School and withdrawal from this facility from 19th January 2019, there will be an inevitably effect on income streams for the children's membership for both wetside and dryside activities at the Dukeries Leisure Centre. This has therefore been reflected in the recently revised income budgets, with the last quarter income for children's memberships at DLC, being completely removed from the budget codes. Approximately £8k per month is collected for this income stream currently; however, with the withdrawal of the school's swimming pool and the complicated nature of the next three months income levels (as a result of free or reduced memberships and direct debit indemnity (DDI) claims), the uncertainty and unknown element of this income stream can only be reported accurately retrospectively. Close monitoring of children's membership at DLC will be carried out and will be seen more clearly at the end of March 2019. Any income that is

collected at this point from any continued memberships will be communicated with the Council when this information becomes available.

- d) In addition to the above, expenditure is also be monitored with regards to staffing. Where necessary, non-contracted employees, covering sickness and holidays and those that are used on an adhoc basis will be stopped as of 19th January 2019; however, contractual staff are currently being consulted with, regarding their options and a meeting involving the MD of A4T and HR support for the Company, are meeting with those staff affected on Wednesday 9th January 2019.

4.5 Year-end balances – Reserves Overview:

Year	Closing Balance 31-03-2018	Opening balance at 01-04-2018	In year surplus at 31-12-2018	Estimated surplus at 31-03-2019
2017-18	£377,676.78			
2018-19		£377,676.78	£2,000.00	£379,676.78

- 4.6 Following the joint work with the Council regarding the Real Living Wage, it has been agreed that this will continue within the Company, in line with those which have been agreed within the Council. This will add additional finance to the budgets for 2019/2020; however, provision has been made for this amount.
- 4.7 Direct debit payments for facility hire have been introduced to existing and new customers. Customers continue to be encouraged to use this method of payment and it is hoped that by the end of the 2018/2019 financial year, all groups using block bookings will be administered through the direct debit process.
- 4.8 The on-line bookings module has now been purchased by the Company for customers to sign up for a membership in the comfort of their own home, 24/7. This however, is waiting to be launched, as currently there are issues with capacity on the current servers. ICT are currently working with XN Leisure (software suppliers) to action the request and enable this software to be available for customers.
- 4.9 Making Tax Digital (MTD) - On 13 July 2017, HMRC announced that Making Tax Digital will become mandatory from April 2019. The first stage focuses on VAT, and will impose new requirements for digital record keeping on VAT-registered entities, including public bodies. A4T is currently developing its strategy for this new tax requirement and software is currently being purchased from Price Waterhouse Cooper (PWC), a HMRC approved supplier, to comply with this new tax requirement. A4T's quarter 4 VAT return of 2018-2019 will be submitted to HMRC using this new software, 3 months ahead of the deadline.

5.0 **OVERVIEW OF THE FINAL BUSINESS PLAN 2019/2020**

- 5.1 The committee will be aware that each year the Company is required to produce an annual business plan, which is considered by the Leisure and Environment Committee, as the strategic body providing direction for the Company.
- 5.2 Attached at appendix III is the final business plan in the format which members will be familiar with. Within the business plan the areas for Members to consider specifically are the Outcomes, Objectives and Actions, which form the strategic direction of the Company, set by the Leisure and Environment Committee. These outcomes and objectives are linked with the 3 strands of the Company and which have again been agreed by the committee and are:
- Healthy and Active Lifestyles
 - Accessible Facilities
 - Financial Viability
- 5.3 In addition to the objectives which were contained within the draft business plan, which was provided to Members for feedback during November 2018, there are now several further objectives, which have been provided to the committee and are aligned with the Newark and Sherwood Physical Activity and Sports Plan 2018 to 2021, which was recently approved by the Council. These have now been contained within the revised final business plan.
- 5.4 Members will note that the current position of the Company from the performance report is generally stable (with the exception of the Dukeries Leisure Centre) and expenditure is being contained. The Company is currently meeting all of its commitments and managing this within the Company's turnover and is actually estimating that by the end of the 2018/2019 financial year, there will be £2K surplus available, as set out at 4.4 (a), which can be provided to support reserves. This is currently based on period 9 information and assumptions being made around the WHS and the council paying the remainder of the management fee for 2018/2019.
- 5.5 When developing the budgets for 2019/2020, the Company has made provision for areas which have historically increased over the past 3 years and include utilities, national insurance increases, pension contribution increases, real living wage and insurance. These have all been factored into the 2019/2020 draft budget, with the information that is known at the current time. Of the list above, utility charges may change upwards and downwards throughout the year, due to the arrangement of purchasing blocks of; gas, electric and water from the market at a 'given time' within the year, and not through an arrangement where you fix a price, for a set duration of time.

- 5.6 Whilst there are pros and cons with the arrangements for purchasing gas, electric and water, after investigation, it appears that the best route currently for the Company is to continue with the current arrangement of ‘block purchasing’ due to the very volatile market of energy and the fluctuations which are inevitable in the sector. The current method provides the Company with the opportunity to benefit when ‘reductions’ in the market occur (if energy purchases take place at the correct time), however, it does also mean that prices will increase, as the markets rise. Having spoken to the procurement manager within the Council, he believes that if these costs were taken over a period of the last 3 years, he feels that this would still provide better value for money, than choosing a fixed rate offer.
- 5.7 The current proposed budget for 2019/2020 has been developed along the same lines as the 2018/2019 year, with a ‘nil’ management fee being received from the Council, for the leisure centres operations; however, with a management fee which supports, sports development and the services provided to the Southwell Leisure Centre Trust. The budget has been developed to continue to meet the repairs and renewals requirements of the Company. To support the proposed budget, the Company has also developed a 3-year pricing strategy (which is being considered by the Leisure and Environment Committee) and it is envisaged that this will also assist, in supporting the medium term financial sustainability of the Company. The budget continues to provide stretched targets for the Company on both income and expenditure, whilst ensuring it provides sufficient resources to support, health and safety, investment in development, resilience through contractual arrangements and finance to support potential growth in activities through marketing and freelance instruction.

6.0 OVERVIEW OF THE FINANCIAL INFORMATION 2019/2020

- 6.1 As a result of the proposed management fee suggested by the council during the L&E meeting during November 2018, Active4Today Ltd, have currently budgeted to receive a management fee from the Council of £217,070 (excludes VAT) – which will support the Southwell Leisure Centres Trust services and the Sports Development service only. The leisure centre element of the Company, as set out previously is currently still operating on a ‘nil’ management fee.

Breakdown of management fee: (excludes VAT):

Sports Development Management Fee	£121,220.00
Southwell Leisure Centre Management Fee	£ 95,850.00
TOTAL	£217,070.00

- 6.2 The committee will be aware that over the next 3 years, the Council is proposing to reduce the fee paid for services provided to Southwell Leisure Centre and for this to be met by the Trust. This would result in the Council paying only for Active4Today Sports Development services, based on its current agreement. Although no confirmation has yet been received

from the Council and the Southwell Leisure Centre Trust, it is expected that the Council may reduce the 2019/2020 management fee during the year, as Southwell make a contribution to the fee. As this would be a net position for A4T and is yet to be confirmed, the full figure has been used for the purposes of the report, with an assumption made that this will be paid by the Council initially.

6.3 **Summary:**

- a) In view of the above and assuming the management fee as set out in 6.1, A4T are predicting a current shortfall of £75K for the 2019-2020 budget, to balance this to zero. Whilst this is currently being predicted, the Company will seek to reduce this amount within the year, through increases in income and reductions within expenditure. However, with the unknown operations at DLC and the possibility that adult membership income may also be affected by the wetside issues at this facility, this will not be seen until well into the new financial year.
- b) Whilst A4T will seek to reduce the £75K set out above, the Council may wish to put aside additional management fee to support the Company through this very difficult period. At this stage it is not prudent to speculate what any increase in management fee may look like for the year, as a result of several unknowns; it is sensible however, to raise this with the district and advice additional finance may be required.
- c) In addition to the above and what is a further unknown, is the possible positive impact of the introduction of the new swimming pool at the Dukeries Leisure Centre, hopefully within the last quarter of the 2019/2020 financial year. At this stage it is not known when this development will be opened, however, if this is opened as proposed during the last quarter of the year, there may be increased income generation for the site, which after expenditure is applied should still provide a positive net position for the Company.

7.0 **PROPOSAL**

- 7.1 It is proposed that A4T continue to maintain its current performance with regards to the positive position of the adult and child memberships at the NSFC.
- 7.2 It is proposed that A4T continues to monitor and understand the membership issues at the Dukeries Leisure Centre and assess the impact of the withdrawal of swimming lessons from the Wellow House School, as many of the members decide on the options which are being provided to them by the Company.
- 7.3 It is proposed that the Council note the potential shortfall in the budget for the Company and agree to support A4T in monitoring this throughout the year with a potential of

reviewing the management fee provided to the Company if this shortfall cannot be contained.

8.0 BUDGET IMPLICATIONS

8.1 There are no direct budgetary implications contained within the report, over and above those which have been set out above.

9.0 EQUALITY & DIVERSITY IMPLICATIONS

9.1 In the event the proposed swimming pool is provided at the Dukeries Leisure Centre, it is expected that there will be a positive impact on the equalities within the Sherwood area of the district and specifically in Ollerton. More people in areas of designated deprivation, will be eligible to access the leisure centre and target groups will be identified as part of the sports development opportunities. This will be supported by a newly developed 3-year pricing strategy, which will support inclusivity at the site through a reduced membership rate for persons in designated areas.

9.2 Throughout the 12 month period, however, leading up to the potential opening of the new swimming pool, it is expected that the majority of the children's membership at the Dukeries Leisure Centre, will not access swimming lessons, due to access and or travel and as a result there may be an equalities impact for the residents of Ollerton unable to travel, to be able to access swimming provision. At this stage it is too early to assess this impact as communication with parents has only recently commenced.

For further information please contact Andy Carolan – Managing Director via email on andy.carolan@active4today.co.uk

<u>Active4Today Performance Indicators (incl SLCT)</u>	<u>ACTIVE4TODAY</u>	
	<u>Dec-17</u>	<u>Dec-18</u>
No. of User Visits	70,845	61,173
No. of Leisure Centre user visits (Card Holders) - Female	20,024	18,102
No. of Leisure Centre user visits - Aged Over 60	5,610	5,273
No. of Leisure Centre user visits - Children (under 16)	17,953	21,085
Live Leisure Centre Membership base (adults)	6,357	6,293
Live Leisure Centre Membership base (children)	2,761	2,598
No. of Leisure Centre user visits - Deprived areas	Figure	
No. of individuals referred to Active4Today from a health professional - Attended Session	31	31
No. of user visits on Sports Development programmes in deprived areas	Figure	

<u>ONLY</u>	<u>SLCT ONLY</u>			<u>TOTAL</u>		
Growth (+) Decline (-)	Dec-17	Dec-18	Growth (+) Decline (-)	Dec-17	Dec-18	Growth (+) Decline (-)
-13.65%	22,597	22,574	-0.10%	93,442	83,747	-10.38%
-9.60%	7,889	8,007	+1.50%	27,913	26,109	-6.46%
-6.01%	2,484	2,805	+12.92%	8,094	8,078	-0.20%
+17.45%	8,648	8,404	-2.82%	26,601	29,489	+10.86%
-1.01%	2,196	2,402	+9.38%	8,553	8,695	+1.66%
-5.90%	1,303	1,348	+3.45%	4,064	3,946	-2.90%
es not available split per company				3,911	3,804	-2.74%
0.00%	3	5	+66.67%	34	36	+5.88%
es not available split per company				N/A	N/A	#VALUE!

Total Commentary
As stated in the report, the usage figures are showing a reduction due to access control and ICT issues experienced during the quarter.
Slight reduction experienced due to access control issues as stated above.
Consistent attendance from the target group with little change. New class timetable and further development work taking place in the new year to increase usage from this age group. This includes more activities available linked to the older people's Fall Prevention with NCC.
Increased due to increased capacity available for children's activities. Also the changes made to the number of courses available per membership type has meant that although the per head count has reduced, more children are doing more ie, up to 3 sessions per week.
Increase and growth in comparison to last year seen at SLC however changes at DLC have impacted upon the adult membership base at that site.
Reduction in membership experienced at A4T sites due to DLC changes to swimming provision twice during the year.
Reduction in usage experienced however with the proposed new pricing strategy planned, it's anticipated this will increase.
Referrals continue to be received however the increase in other activities is having an impact and people are now accessing activities without going through the existing referral route.
The participation for this indicator is now being captured through the leisure system and not captured separately.

Performance Management Report from 1st October to 31st December 2018
Sports Development updateNewark and Sherwood Sports Awards 2018

Active4Today Sports Development ran the annual District Sports Awards for the 13th year during 2018 on behalf of the District Council and in partnership with Radio Newark. With over 40 nominations, the following winners were selected by a panel consisting of a wide variety of councillors, teachers, coaches and journalists.

- Warwick Lane Junior Sportsperson of the Year – **Olivia Whitelaw**
- Junior Team of the Year – **Farndon Colts FC Under 16 Team**
- Junior Disabled Sportsperson of the Year – **Meg McFarlane**
- Sam White Junior Volunteer of the Year – **Ben Greatbatch**
- Senior Team of the Year – **Newark Flowserve FC Senior Team**
- Senior Sportsperson of the Year – **Nina Bradley**
- Coach of the Year – **Mark Nesbitt**
- Volunteer of the Year - **Alan Swain and David Pick**
- Club of the Year – **Jaguars Wheelchair Basketball Club**
- Roll of Honour (formerly Outstanding Contribution to Sport) – **Graham Jackson**
- Roll of Honour (formerly Outstanding Contribution to Sport) – **Alan Swain and David Pick**
- Roll of Honour (formerly Outstanding Contribution to Sport) – **Warwick Lane (posthumously awarded)**

In addition, there was a special ‘highly commended’ award presented to Newark Striders Running Club for their work this year, with initiatives tackling mental health issues and litter picking while out jogging.

The awards were presented during the first week in December. Presentations were held at a variety of venues and broadcasted live on Radio Newark, with the Chairman of Newark and Sherwood District Council, Councillor Walker supported by Councillors Jackson and Mison in attendance to award the prizes and certificates.

Club and Coach Development

The Team facilitated a meeting of the Newark & Sherwood Sports Council on 26th November which was attended by representatives from 10 clubs from across the District. There are now 14 clubs who have officially affiliated to the Sports Council and we hope to increase this number during 2019. At the meeting there was also a presentation was made to the group by Edwina Archer, Funding Officer from Active Notts.

The second edition of the Newark and Sherwood Sports Clubs newsletter was published and distributed to clubs through the TRP system in mid-December. This edition of the newsletter

included funding updates and an article about members of the VISPA scheme administered by the team who were recognised at the Newark & Sherwood sports awards.

At the October meeting of the grants panel Caythorpe Cricket Club were awarded £1,150 for a special events project to engage more girls in their junior cricket section. The team will be working with the club to support them through their project and monitor that they have spent the funding accordingly.

Within the period parameters of the report, 14 coaches applied for and were awarded Coach Development grants. The coaches represented 8 different clubs from the district in 5 different sports.

There have been 9 new VISPA volunteers recruited, who are regularly volunteering across Newark and Sherwood both in the leisure centres and in grassroots clubs; these volunteers are covering 6 different sports.

There were 6 college students given work placements at the leisure centres. These vocational hours are required for the students to complete their courses. The students were from Portland, West Nottinghamshire, North Nottinghamshire and Grantham Colleges. They have been given a variety of roles and responsibilities throughout their placements, to provide them with a meaningful insight and valuable experience of working within the leisure industry.

During October half term work experience was provided to 4 pupils from Toot Hill School and Joseph Whitaker School. The pupils were given a number of roles at Newark Sports and Fitness Centre and Blidworth and Dukeries Leisure Centres. All pupils provided positive feedback via their schools regarding their week with Active4Today and all pupils were offered the opportunity of being a VISPA volunteer, as an exit route to continue gaining experience within the industry.

Inclusion

The team continues to promote the facilities at Newark Academy to attract new bookings and renew booking agreements for existing users. We have confirmed a number of cricket bookings for the January – April period and purchasing a new set of cricket mats to improve the quality of the facilities for indoor training. We will now be focusing on marketing the facilities available to increase summer bookings.

The team are continuing to work closely with several sports clubs in the district who have ambitions to raise funds and expand their membership base. This is set to continue with clubs to put plans in place to develop write funding applications to provide them with the resources to do so. Working with the District Sports Council the team will be facilitating some funding workshops to give sports clubs the opportunity to get 1-2-1 support with application they have in mind for 2019.

October 2018 saw the launch of the Community Alcohol Partnership (CAPS) project in Ollerton. This is a national initiative designed to curb underage drinking and anti-social behaviour working with local retailers and other relevant partners to ensure that the 'Challenge 25' is enforced. This initiative is designed to raise awareness of drink related illness and provide diversionary activities.

Active4Today has been an active member of the committee, providing support and advice regarding the diversionary activities. In addition, a consultation meeting has been arranged with the several local Young Peoples Centres, to understand from young people within the area, the types of sports/activities, they would like to see delivered. This will inform an overall delivery plan to partners, who will be delivering the diversionary activities.

Support for the Dukeries Academy 'Success Centre' has been put in place for the new school term commencing January 2019. In partnership with Everyone Health A4T will be delivering 12 sessions focusing on physical activity and the importance of nutrition to support physical activity. On completion of the 12 weeks programme, hard to reach students (many of them suffering with behavioural issues) will be given an Unit Award certificate in Sport and Physical Activity (AQA) and also a certificate from Everyone Health, to recognise their successful completion of the course.

As a result of changes at Newark Flowserve Football Club during Autumn 2018, Active4Today played a key active part in ensuring that the players from the Flowserve Diamonds disability team, continued to have the opportunity to play football. Working alongside the Nottinghamshire FA and Newark Town, the players transferred to Newark Town Football Club and are now continuing to undertake regular training and play matches, as part of their new club. Since the move to Newark Town the team has attracted 2 new coaches and several new players and during December 2018, participated in their first ever Football Festival in Nottingham.

In November 2018 the first ever 'Female Disability Football Festival' was hosted at Newark Sports and Fitness Centre. This event was aimed at girls and ladies of any age, with additional mental, physical and social needs. Support was provided in the delivery by Nottinghamshire FA, Nottingham Forest Community Trust and Notts County Football in the community. The Festival was a great success and was enjoyed by everyone who attended. Due to the success another 9 festivals have been arranged throughout 2019. The sessions will be delivered by Nottingham Forest Community Trust, with the hope of identifying a local grassroots club who are able to offer regular football opportunities in the future for girls and ladies.

BUSINESS PLAN

2019/2020



ACTIVE
Leisure Sport Wellbeing

0000001

www.active4today.co.uk
contact us at
memberships@active4today.co.uk



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THE BUSINESS

Active4Today Ltd was launched on 1st June 2015 and will be entering its fifth year of operation on 1st April 2019. It is an independent company registered with Companies House, with Newark and Sherwood District Council being the single shareholder.

The business consists of three leisure centres, a sports development section and a headquarters, which collects and manages the finance of the business, including the in-house direct debits. In addition to these services, Active4Today Ltd provides administrative and management support to the Southwell Leisure Centre Trust and operates additional dryside provision out of Newark Academy and Bishop Alexander LEAD Academy, through service level agreements.

The Company is estimating a usage to the end of 2018/2019 of 1.2m visits, over its whole business. In addition, it has a direct debit membership base on 31st December 2018 of 12,641, which includes Southwell Leisure Centre (these figures include both adult and junior members).

The aim of the business is to focus on 3 distinct areas:

- Healthy and active lifestyles
- Accessible facilities
- Financial viability

The Company's unique selling point (USP) is that of a fully accessible service, which is family friendly and offers a wide range of activities to attract users from all age groups and all socio-economic backgrounds. The work of the Company, although complimentary, is split into three areas. These are:

- Leisure facilities
- Outreach work
- Club development

Leisure Facilities

Within these facilities, the leisure centres provide activities to various groups covering, children, adults, 60 plus, affiliated clubs and schools. These are subsequently split into three categories of pay and play, block bookings and direct debit memberships.

The leisure facilities are provided in Blidworth and Ollerton and also in Newark, with a partnership arrangement with the Southwell Leisure Centre Trust and their facility in Southwell. During 2017, partnerships were formed with Newark Academy, Barnby Road Academy and Bishop Alexander LEAD Academy Trust in a bid to expand the offer of the Company and improve health and fitness of the communities of Newark and Sherwood.

The offer is very different at each site, ranging from a wet and dry facility in Newark and dry only facilities at Blidworth and Ollerton. Currently there is no Active4Today operated wetside provision within the Sherwood part of the district, however, working in partnership with the Council, construction of a new swimming pool is planned to commence during 2019 with an opening of a new facility during 2020. In addition wet and dryside facilities are provided in

partnership with the Southwell Leisure Centre Trust. Finally, additional dryside facilities are provided within Newark in partnership with Newark Academy and Bishop Alexander LEAD Academy Trust. These have increased additional resources to the Company to provide increased activity opportunities for the community.

Outreach Work

Predominantly, this area of work is provided through the sports development section, either through direct provision or through partnership working with other providers, these include Everyone Health and Nottinghamshire YMCA.

The sports development team during 2018 has supported clubs and schools to access Satellite Clubs funding from Sport England via Active Notts. This initiative has provided much needed funding to develop links in the community, to develop their offer and broaden their activities to provide sessions for young people targeting the age group of 11-25 years old.

Club and Volunteer Development

The local sports forums are supported by the sports development team on a quarterly basis throughout the year, providing much needed secretariat, advice and support to volunteers and clubs through these meetings. Additional training and workshops are also co-ordinated to both maintain and improve the quality of community sports provision.

The work experience and VISPA volunteering schemes is a crucial tool to recruit new volunteers into sports activities both in clubs and leisure centres. This is particularly focussed on the 14+ age group, encouraging young people to get involved in volunteering in their community and gaining valuable experience and qualifications to potentially secure a job in the sports and leisure industry.

The sports development team works closely with national governing bodies and Active Notts to co-ordinate an annual programme of courses and workshops according to the needs of the volunteers and coaches. This has developed further during 2018/2019 and co-ordinated by working in partnership with a number of local authority areas in Nottinghamshire.

The team are also involved in planning for the future, particularly around demonstrating the demand for facility developments, the review of policy documents i.e. Physical Activity and Sport Plan, Playing Pitch Strategy and linking to the research and insight available from a variety of sources, including the Sport England Active People Survey and local health data.

OUTCOMES AND OBJECTIVES

As part of the business plan, outcomes have been identified, which focus on key parts of the business. Objectives have been identified to support the key outcomes of the business and form part of the day to day operations.

In addition to the financial aim of the Company, which is to maintain a service to the customer at a 'zero' management fee from the Council, the Company is committed to increasing participation in sections of the community who may not traditionally engage in physical activity.

Finally, the Company is committed to the provision of high quality services that provide value for money to the customer. This will be achieved through continuous improvement to the facilities.

The suggested objectives for the 2019/2020 are set out below and are linked to the overall outcomes of the Company. In addition, 3 objectives have been developed for the A4T business plan, which directly link and support, the Council's Physical Activity and Sport Plan, which was approved by the Leisure and Environment Committee during 2018.

OUTCOME	OBJECTIVE	ACTION
Healthy and active lifestyles		
Delivery of a business plan for Southwell Leisure Centre, to support its proposed strategic development	To develop a financial business plan for the SLCT, which will forecast income generation, investigate accessing new and existing markets, assess current penetration rates and develop new programming opportunities, to maximise access opportunities for all.	As part of the agreement with NSDC to provide management support to the SLCT through the SLA. Provide the SLCT with a strategy which will increase growth in the adult and children's memberships
Childhood obesity - develop and provide opportunities for 'young people in primary education' to increase levels of physical activity and sport.	Support the development and promotion of a Junior parkrun in the Sherwood area of the district	Engage with schools, event organisers and private operators, to promote the junior parkrun and develop a set of activities which surround and compliment the parkrun prior to its first months launch. This will seek to engage children in physical activity with parkrun as a potential free exit route to develop regular weekly activity
	Implementation of children's coaching in schools in the Ollerton area	Engage two schools per term. Prioritise schools in most need and by travel time from Dukeries Leisure Centre
	Work with partners i.e. Everyone Health to promote their initiatives tackling childhood obesity	Increase Everyone Health's bookings by 10% over a 12 month period
Inactive people - develop and provide opportunities for 'inactive people' to increase levels of physical activity and sport.	Identify communities with low activity levels	Promote the 3-year pricing strategy, specifically the new qualifying criteria for concessionary membership in deprived areas Develop a series of outreach activities linking to existing opportunities Offer 12 (one per month per site) free taster activities at centres
NSEC 6-8 - develop and provide opportunities for people living in high NSEC 6-8 target areas to increase levels of physical activity and sport.	Introduction of pricing strategy including additional qualifying criteria for concessionary membership	Increase take up of the concessionary memberships by 50% Offer 12 (one per month per site) free taster activities at centres Offer a FREE 7 day pass for all participants of the initial pilot of junior parkrun in Sherwood area
Accessible facilities		
Develop a business plan for a Modular Pool at the Dukeries Leisure Centre	Assist the Council with the feasibility and development work for the development of the new swimming pool at the Dukeries Leisure Centre.	Develop a 3-year financial forecast for the modular pool. Apply to Sport England for funding to support the capital development and

	This work should include the development of the finance for the delivery of the pool, the requirements for operations and the specification for the delivery of a community swimming programme.	fit out of the facility. Develop a 'wet side programme' which will engage with NCC for the return of school swimming within the Sherwood area. Develop a pool class timetable Develop a junior lifeguard academy Develop a marketing plan to the 3 - year pricing strategy Development and relaunch of the junior swimming programme
Improve community access through partner facilities and increase usage and access to local sporting facilities	Explore partnerships with other academy's to increase community usage through the use and management of their facilities	Using the Newark Academy pilot engage with two new partners during 2019/2020, with a view to supporting increased sporting facility take up throughout the district
Achieve a 3-year SLA with the Newark Academy	Agree a new 3-year SLA with the Newark Academy for undertaking the management of the facility to maximise community access. The 3-year agreement will secure the use of the facility for clubs and pay and play users until 2022. In addition, the sports development team will continue to provide mentoring opportunities for all students accessing leisure.	Have a signed SLA agreement in place by September 2019. Continue to achieve income and utilisation targets and add further growth with the introduction of courses and special events. Provide 15 work placement opportunities for students Provide VISPA volunteering opportunities for students
Financial viability		
Deliver a new receipting system for the business	To investigate the options of new receipting and back office systems for the business, in line with the requirements of the Council's capital programme and the procurement process. Develop a 'fit for purpose' integrated system which supports the Councils new financial management system.	Scope out the specification for new system by May 2019, in consultation with the business unit of NSDC. Assess the viability of a proposed new system and discuss this with the Council through the operating contract agreement
Implement a 3-year pricing strategy	Implement the 3-year pricing strategy within the District and support this with targeted marketing campaigns, encouraging usage in areas where traditionally usage may be low	Develop a schedule of promotional meetings to support the strategy First promotions to be in place during spring 2019. Increase target market memberships groups to include concessionary memberships
Develop a 3-year forecasted budget for the Company	To understand the implications of the real living wage on the budgets for the Company and the increased utility charges which are and will continue to impact significantly on the revenue position of the Company	Develop a 3-year forecasted budget for the Company and discuss the findings with the Council, with regards to the implications of the on-going management fee from the Council to the Company. This must also take into account the current partnership with the SLCT and the SLA between the Council and Company, to provide services to the Trust
Establish a new 3-year financial agreement with the Council for the Company's management fee	Undertake discussions with the Council to establish a new 3-year agreement with the Council for the management fee for the Company.	As set out above

	This will support the 3-year forecast which the Company is hoping to undertake to understand the Company's financial viability	
Implement on-line memberships	Currently the on-line membership package has been purchased and it is hoped that ICT can ensure this is installed and operationally ready for use from April 2019. Whilst this will not provide significant increases in memberships, it improves access for customers being able to sign up to any leisure centre 24/7 and streamlines existing sign up processes.	<p>Develop an online incentive scheme</p> <p>Develop digital marketing and branding of the online membership system</p> <p>Support the development of online membership, with a view to achieving 5% take up of memberships purchased online within the first 12 months of its introduction.</p>

Fig 1: proposed outcomes/objectives and actions for 2019/2020

CUSTOMERS

The business is made up of customers who access the service in many ways:

- Free of charge
- Pay and play
- Direct debit
- Club block bookings, both through invoice and direct debit

Customers are put at the heart of the business and current analysis developed using postcode information. This information is only available however, when customers access the facilities using their Active Card. The aim of the Company during 2019/2020 is to continue to increase the Active Card take up to gain the participation profile data and especially a new contactless initiative, which will form an integral part of the customer journey.

SERVICES AND COMPETITORS

The services are split into two areas which are indoor provision; provided by the leisure facilities and external provision; provided by the sports development section of the business. Within the leisure centres, the services are divided up into distinct areas, wetside provision and dryside provision. These are once more sub divided into fitness suites, sports hall hire, squash courts, club bookings and swimming.

In addition to the provision of leisure facilities, the Company also sells related saleable goods; these items are referred to as secondary spend. Prices for both primary and secondary items are determined through either a percentage increase based on the cost of purchase or through an assessment of the competition, affordability and the socio economics of the district and the residents who use the facilities.

The Company aims to ensure its pricing remains as competitive as possible and to achieve this process, compares both private and local authority offers within Nottinghamshire. However, as the vast majority of competitors are privately operated and several authorities are operated by commercial companies, this information is not openly available to Active4Today. As a result, the information used for this process will be developed on prices as of January 2019. Below is the

price comparison table of local authorities bordering Newark and Sherwood and private comparative competitors, operating within the district:

Area/Organisation and Provider	Direct Debit price per month	Range of services
Newark and Sherwood District Council: Active4Today Ltd	£29.00 - Adult £19.00 – Child	Fitness suite, swimming, classes, weekend racket sports Weekly swimming lesson
Rushcliffe Borough Council: Parkwood Leisure Ltd	£37.50 – Adult	Fitness suite, swimming and classes
Gedling Borough Council: In-house	£32.00 - Adult	Fitness suite, swimming and classes
Mansfield District Council: Serco Leisure	£25.95 - Adult £20.50 – Child	Fitness suite, swimming and classes Weekly swimming lesson
North Kesteven District Council South Kesteven District Council: 1Life	£29.00 – Adult	Fitness suite, swimming and classes
Bassetlaw District Council: Barnsley Premier Leisure (BPL)	£29.95 - Adult £22.00 – Child	Fitness suite, swimming and classes Weekly swimming lesson
Pure Gym – Mansfield	£9.99 – Adult	Fitness suite and classes
Anytime Fitness – Newark, Grantham & Mansfield	£32.95 – Adult	Fitness suite and classes
Sports Direct Fitness – Newark, Lincoln	£24.99 – Adult	Fitness suite, swimming and classes
Bannatyne Health Club – Mansfield	£44.00 - Adult	Fitness suite, swimming and classes
Arena Health & Fitness – Newark	£22.00 – Adult	Fitness suite
DW Sports Fitness – Mansfield	£23.00 – Adult	Fitness suite, swimming and classes
Fitness Flex – Mansfield	£32.95 – Adult	Fitness suite, swimming and classes

Fig 2: Price comparison table – January 2019 comparison

For 2019/2020, Active4Today have reviewed its current ‘core’ prices; these prices have also been supported by the proposed 3-year pricing strategy. Below are the current ‘core’ prices for the Company. Other prices change throughout the year as promotions and target marketing campaigns are undertaken.

Activity	Active Card holder Adult		Non Active Card Holder Adult	
	Current Price	Proposed Price	Current Price	Proposed Price
	2018/2019	2019/2020	2018/2019	2019/2020
Adult Membership	£29.00	£31.00	N/A	N/A
Badminton	£8.40	£9.00	£10.00	£11.00
Swimming	£4.00	£4.50	£5.00	£5.50
Squash	£7.00	£7.50	£8.50	£9.00
Fitness Suite	£6.00	£6.50	N/A	N/A
Fitness Suite Classes	£6.00	£6.50	N/A	N/A
Activity	Active Card Holder Junior		Non Active Card Holder Junior	
	Current Price	Proposed Price	Current Price	Proposed Price
	2018/2019	2019/2020	2018/2019	2019/2020
XP 1 Membership	£19.00	£20.00	N/A	N/A
XP 2 Membership	£23.00	£23.00	N/A	N/A
XP3 Membership	£27.00	£28.00	N/A	N/A
Student XP Membership	£17.00	£18.00	N/A	N/A
Badminton	£5.00	£5.00	£6.00	£6.00
Swimming	£3.00	£3.00	£3.50	£3.50
Squash	£4.00	£4.00	£5.00	£5.00
Fitness Suite	£3.00	£3.00	N/A	N/A
Fitness Suite Classes	£3.00	£3.00	N/A	N/A

Fig3: Proposed Core Prices for Adults and Children – 2019/2020

The Company is proposing minor increases in pay and play prices for adults, with no pay and play increase on junior pay and play activities. The main focus for the pricing is to encourage pay and play users to become direct debit members. This allows the Company to gain data from these users, which will ultimately influence the programmes and classes within the facilities. In addition, it assists the Company to understand the usage patterns of pay and play users and where possible ensure they are receiving the best value for money option available to them, which is applicable to their usage.

MARKETING

The 'Active' brand and series of marketing and promotional material have been developed in order highlight the different management arrangements in place.

To assist with the sustainability and growth of the business, the Company currently markets and advertises extensively

to attract and retain its customers and build the profile of the Company locally.



Improvements in retention are provided through a series of targeted communications throughout the building and direct marketing, reminding them of their original goals and why they joined the facilities, though the 'TRP' software package. In addition, A4T needs to ensure the experience which the customer receives, is supportive and that the commitment that was made by A4T is also delivered on.

The Company's website and digital marketing platforms have been used to promote and market the full range of services and during 2018/2019 the Company has linked the website with the front of house leisure bookings system. This will improve accessibility as well as enabling the customer to view and book activities on-line.

The website currently attracts an average of 50,000 hits per month. There are also approximately 4,000 bookings made on our online booking system every month for classes, allowing customers to access our services 24 hours per day, 7 days per week without having to call the centre. The Company has a part time Communications Officer in post and this person is tasked with promoting and leading on the digital marketing strategy and supporting the traditional advertising including newspapers, press releases and editorials.

The sports development team also work closely with Radio Newark and in particular on the Newark and Sherwood Sports Awards. This assists to help raise the profile of the local sports clubs, volunteers and individuals as well as the Company.

DEVELOPMENTS

ICT developments which are currently taking place and will continue throughout 2019/2020 include:

- Server upgrades and improvements
- Contactless access and entry
- Leisure front of house system
- Further implementation of StaffMis modules

The software applications identified above will assist the Company to be more efficient and provide a better experience to our customers.

STAFFING

To undertake the work, the Company has a team of dedicated individuals, led by a committed and passionate management team. The team has several years of practical experience within the leisure industry and this is supported by a sound academic base to ensure the practical knowledge is underpinned by professional qualifications. In the region of £20,000 is invested annually into training, continuing professional development (CPD) and maintaining staff qualifications. This is identified through the annual performance review, which all staff members are encouraged to engage with.

In addition to the training budget identified above, the Company is required to pay the Apprenticeship Levy and currently employs several apprentices. This enables the Company to 'ring fence' resources to recruit employees onto apprenticeships, providing valuable vocational training whilst achieving a recognised qualification from an accredited training provider.

PERFORMANCE MANAGEMENT

The Company is committed to ensure the performance of a variety of areas is achieved, aligning our resources, systems and employees to the strategic objectives identified earlier. Outcome based performance monitoring is now widely used and within that is the opportunity to provide narrative based performance evidence. The performance indicators are linked to the Council's strategic outcomes and have been developed with Members of the Leisure and Environment Committee, in order to build a performance framework. Following the review of the Council's

Sport and Physical Activity Plan, performance indicators have also been developed to ensure there is a clear synergy between the operations of A4T and the aspirations of the Council.

FINANCE

As part of the business planning process, the Company undertakes extensive and detailed work in producing accurate budgets. Currently this work includes direct debit income, pay and play income, external funding and club usage.

As set out during previous reports, the Company is making provision to develop reserves of £750K. This level of reserve will ensure resilience for the organisation, which supports the Company and Council to ensure Active4Today remains in a financially sustainable position. As members will be aware, the Company currently operates on a management fee paid by Newark and Sherwood District Council. Below is the proposed management fee for 2019/2020.

2019-2020 NSDC –Management Fee Requirements

NSDC Management Fee	Amount - Full Year
Sports Development Management Fee	£121,220
Southwell Leisure Centre Management Fee	£95,850
Total fee to be paid to Active4Today Ltd	£217,070

Fig 4: Financial Arrangements for 2019/2020

LEISURE AND ENVIRONMENT COMMITTEE MANAGEMENT REPORT

22nd January 2019

1. REPORT PURPOSE

- 1.1 To provide the Leisure and Environment Committee with a proposed 3-year pricing strategy for the leisure centres of the District Council and the Southwell Leisure Centre Trust (SLCT) and operated by Active4Today Ltd (A4T) and Southwell Leisure Centre.
- 1.2 To provide the Leisure and Environment Committee with a strategy which aligns itself with areas of deprivation across the district and which are set out within the Physical Activity and Sport Plan 2019 - 2022, in order to provide synergies of operation, between Active4Today, the Southwell Leisure Centre Trust (SLCT) and the Council.

2. BACKGROUND

- 2.1 Over the past several years, the core pricing for the leisure offer across the district (which was originally an 'in-house' service of Newark and Sherwood District Council and subsequently operated by Active4Today Ltd (A4T) since 1st June 2015), has been provided for consideration by various committees during Q4 of a financial year, with the implementation of any new pricing taking place from 1st April of the following financial year.
- 2.2 This process was led by the operating business unit or leisure provider (A4T) and took the form of comparisons with competitors, current market conditions and the present and forecasted utilisation. With this information an assessment was made concerning the impact of any proposed pricing increase, taking into account attrition rates and the general economic landscape regarding the local community.
- 2.3 Over the past several years, the majority of the finance collected by A4T and SLCT has moved from a traditional pay and play collection basis, to a monthly direct debit collection, which now operates for both adults and children. For the year 2017/2018, the finance collected by A4T was broken down over the following collection methods and the percentages set out below are represented, as a part of the whole:
 - Direct debit = 71%
 - Invoices and BACS transfers = 14%
 - Cash, cheques and card payments = 15%

- 2.4 In addition to the process of providing a pricing option for the committee's consideration, the pricing proposed each year must also take into account the financial diversity of the district and the operation of a single pricing policy for the district, which seeks to promote and improve; inclusivity, cross site usage, increased value for money for the customer, commonality of pricing, the programming of the technology, which supports the admissions and the advertising and marketing of the products to the public.
- 2.5 As part of any agreement concerning the implementation of new prices for a new financial year, the Southwell Leisure Centre Trust (SLCT) must also be consulted, as a partner of the District Council and also Active4Today. As part of the partnership agreement, direct debit members of SLC can use facilities operated by A4T, with SLC providing a reciprocal agreement to direct debit members of A4T.

3. CURRENT SITUATION

- 3.1 During 2017/2018, discussions took place with the leisure and environment committee of the district council and the Southwell Leisure Centre Trust, which identified the need for a 3-year pricing strategy, but one which must include:
- The necessity for the strategy to reflect the financial diversity of the district
 - The need for the strategy to maximise income generation, to support the financial sustainability of both organisations
 - The requirement for the strategy to have a flexible approach, to the implementation of any price increase
 - The requirement to protect the existing concessions and build upon these
- 3.2 In view of the above, Active4Today has worked with the Southwell Leisure Centre Trust in a bid to establish a formula, which would apply an increase to customers, who are able to meet an increased cost, whilst at the same time supporting those within the community to use the facilities, without having cost as a major 'barrier to entry'.
- 3.3 In addition to the above A4T has ensured it is protecting and expanding upon the existing criteria for people to join the concessionary membership and receive a subsidy in their monthly direct debit payment. This is currently applicable to customers in receipt of various benefits and is captured within the existing concessionary policy, currently operated by the leisure facilities.
- 3.4 With any change, customers need to ensure they are receiving value for money. For customers this is usually a process of comparison to other facilities of a similar nature and their circumstances with regards to location, routine, accessibility and being 'fit for purpose'. For members of the Activo and Xperience schemes however, there is a further ingredient to the process, which A4T, SLCT and NSDC must also be mindful of;

those members who are classified within the industry as 'sleeping members'. These members for a number of reasons do not use the facilities on a regular basis, whilst continuing to pay their membership fees. When making changes to fees and charges, part of the regulations for the collection of direct debits, requires all members to be informed in writing prior to any proposed price increase; it is this process, which sometimes triggers existing members to cancel their membership.

- 3.5 As part of the development of the strategy, the current customer base which provides over £3,086,500, of membership income to support the operations of both the SLCT and A4T was used. It is essential that this customer base and income base is not affected and it is with this in mind that the development of a strategy took place, which applies increases in pricing at key points within the year, to ensure it minimises the impact on existing customers, through a phased and tested approach. This approach however, still allows new prices to be applied to new customers, which will maximise income opportunities from those who are not currently members.
- 3.6 This approach is known as re-alignment and it would typically see a new price implemented during April of a new financial year for new customers, with a re-alignment of existing customers not taking place until later within the same financial year. This approach, which has been operated for a number of years and has data to support it, suggests it is a very successful process, with negative impact rates (cancellations) at times being as low as 5%, over the usual cancellation rates, for the period. Attached at appendix I is the proposed 3-year pricing for both organisation.

4. APPROACH

- 4.1 A major hurdle to overcome with any pricing approach, which operates a single price for the same activity, (whether you are in a most affluent part of the community, or one of the most deprived) is 'fairness'. Whilst it may be suggested that the best approach to pricing is to provide everything at the cheapest possible price, to increase participation and inclusivity, it may also be challenged, that those who are able to pay a higher price should; to help off-set the cost, for those persons who are not able to pay the full price. This approach was the fundamental basis for the strategy development with the SLCT, who felt that their membership base may be able to provide their facility with improved financial sustainability, through the implementation of a slightly higher pricing point.
- 4.2 If an increase in price however, was only applied at Southwell Leisure Centre (SLC), then issues may occur where SLCT customers may purchase their membership at an A4T facility (if these did not apply any price increases) and then use the SLC facility, as part of the cross site usage agreement.
- 4.3 In view of the above, a system needed to be developed which would recognise the ability for several customers to pay an increased price, whilst continuing to support

those customers who cannot, to continue to use and benefit from the activities within the facilities.

- 4.4 As stated above, the proposed pricing strategy extends the existing concessionary membership criteria to include people living in selected postcodes, deemed as being in areas of deprivation (based on national data). This information (which is attached at appendix II) has been provided by Datahub, the performance software company used by A4T. This information has been developed in consultation with District Council colleagues, as part of the discussions on the development of the Physical Activity and Sport Plan, aiming to tackle inactivity levels of those people in NSEC 6-8, where cost is a barrier to participation.

5. PROCESS

- 5.1 In a bid to try and manage the process of different customers having different pricing options, a system has been developed to support a proposed pricing policy. This process will require customers when signing up, to provide proof of their residency e.g. a driving license, utility bill, council tax bill, or other appropriate forms of proof.
- 5.2 Using this address identification process, a check will be made against the lists of agreed postcodes and depending on the outcome, a reduced rate will, or will not be applied to the customer's account. As this will be applied at source, the customer will not be aware that various rates apply and will be provided with their most appropriate rate. This currently exists with other membership options; students, corporate organisations and 60+, who all receive different rates, to the standard adult membership fee.
- 5.3 In addition to the above, it is proposed that a re-validation exercise takes place on an annual basis, for any customer who is in receipt of a discounted rate. This process is once again the same for other membership categories, where customers are receiving a rate, which is less than the standard/core adult price.

6. FINANCIAL IMPLICATIONS

- 6.1 In order to try and establish a financial base-line for the implementation of a new process, a modelling exercise has been undertaken based on the A4T and SLCT current membership base. Using this information, it has been established that the proposed implementation of a 3-year pricing strategy, aligned to specific postcodes will produce a position of improved financial sustainability for both organisations, from those members where it is deemed, an increase to the standard/core adult membership price can be applied.
- 6.2 However, at this stage it is difficult to forecast an increase in take up of a reduced priced membership, however, with specific targeted marketing and promotions to

support the strategy, it is hoped that this will attract additional persons into the centre from those postcodes where usage is generally lower than expected.

- 6.3 It is proposed that this process is just implemented for the membership options and not pay and play, as this would be currently to administratively difficult to implement, manage and monitor. In addition and for VFM purposes, the introduction of a reduced rate membership, would work out at less than one visit per week to the leisure centres, to use an activity. As a result, it is also for this reason we should be encouraging customers to attend the leisure centre activities multiple times per week, so the benefits of regular exercise can be seen.

7. PROPOSALS

- 7.1 It is proposed that based on the information provided, the proposed 3-year strategy is adopted by all organisations e.g. SLCT, NSDC and A4T.
- 7.2 It is proposed that the proposed 3-year pricing strategy is introduced and comes into effect from 1st April 2019.
- 7.3 It is proposed that the proposed 3-year pricing strategy is monitored closely by A4T and the impact of its implementation reported back to the L&E committee at various times within the year.
- 7.4 It is proposed that there is a flexible approach to the implementation of the proposed 3-year pricing strategy, in order that A4T and the SLCT can adapt to any possible impact on the market which are yet unknown e.g. Brexit, increases in interest rates and the potential closure of a major business within the district, which would have an impact on the local economy and have a possible knock on effect to memberships.
- 7.5 It is proposed that the 3-year pricing strategy continues to deal with core prices only with the remainder of the prices being determined and applied, by either A4T or the SLCT locally.

8. EQUALITIES

- 8.1 In the event the proposed 3-year pricing strategy is agreed and implemented, it is expected that there will be a positive impact on the equalities within the district. More persons in areas of designated deprivation (as identified above), will be eligible to access the leisure centres within the district operated by A4T and the SLCT at a reduced rate, on a membership basis.
- 8.2 As a result of this being 'postcode' related, any discount will be applied at source, so other members will not be able to identify any persons receiving a discounted rate, thus reducing any stigma, which may be attached to a reduced membership price.

For further information please contact Andy Carolan – Managing Director via email on andy.carolan@active4today.co.uk or via telephone by calling ext. 5704

Membership	2018/19 Monthly Price	2019/20 Monthly Price	2020/21 Monthly Price	2021/22 Monthly Price	Comments & Key Points
Activo Studio & Swimming	£29.00	£29.00	£29.00	£30.00	It is anticipated that 1/3rd of the total adult membership would use this option, as currently this is reflected within the existing membership. It also allows for those customers when re-alignment takes place to continue to receive a membership for £29.00 if they only use studio classes and swimming.
Activo Gym & Swimming	£29.00	£29.00	£29.00	£30.00	It is anticipated that 1/3rd of the total adult membership would use this option, as currently this is reflected within the existing membership. It also allows for those customers when re-alignment takes place to continue to receive a membership for £29.00 if they only use studio classes and swimming.
Activo Inclusive	£29.00	£31.00	£31.00	£32.00	This is the current full Activo membership with the associated price increase. It is anticipated that 1/3rd of the membership base would use this option – this option is competitively priced, however, it has the option for members to downgrade to a slightly cheaper options e.g. gym and swim, if they are not using the benefits of the full Activo membership.
Activo Concessionary		£25.00	£25.00	£25.00	Membership with new criteria to hopefully reduce down barriers to joining and include access for customers with postcodes in identified areas. It is expected that the growth in this membership will increase as new members benefit from excellent value for money and understand the benefits of regular exercise.
Activo 60	£23.00	£25.00	£25.00	£26.00	This continues to be a popular membership option and is in line with price increases for full Activo
GP Referral	£16.00	£17.00	£17.00	£18.00	There is a limited take up of membership, however, the membership category is vitally important in supporting those within the community who traditionally may not have used a leisure centre before and have various health needs requiring support from the professional staff on hand.
Activo Swim	£19.00	£20.00	£20.00	£21.00	Price increases in line with full Activo
Activo 60 Swim	£16.00	£17.00	£17.00	£18.00	Price increases in line with Activo 60
Activo and Xperience	£17.00	£18.00	£18.00	£19.00	Price increases in line with full Activo

Student					
Xperience ONE	£19.00	£20.00	£20.00	£21.00	This membership represents one coached activity and provides very good value for money for the customer. Price increase of £1 over the next 3 years
Xperience TWO	£23.00	£23.00	£23.00	£24.00	The membership represents two coached activities and allows for the opportunity for parents to have two coached activities, at a heavily reduced price
Xperience Concession		£20.00	£20.00	£21.00	Membership with new criteria to hopefully reduce down barriers to joining and include access for customers with postcodes in identified areas. For Xperience members, they will receive the benefits of two coached activities for the price of one coached activity
Xperience THREE	£27.00	£28.00	£28.00	£28.00	Increased by £1 from April 2018. The membership represents three coached activities and allows for the opportunity for parents to have multiple activities at a heavily reduced price. This membership encourages and promotes participating in regular exercise, by providing heavily reduced multiple coached activities
Xperience FOUR	£38.00	£38.00	£38.00	£39.00	Elite membership. This is a relatively new membership and is specifically targeted at those children training for and competing in regular competitions
Xperience Penguins	£30.00	£31.00	£31.00	£32.00	This membership is relatively new and is a tailored to those children who require additional support due to their needs.

Image 1 - Map of proposed qualifying postcodes for Concessionary membership

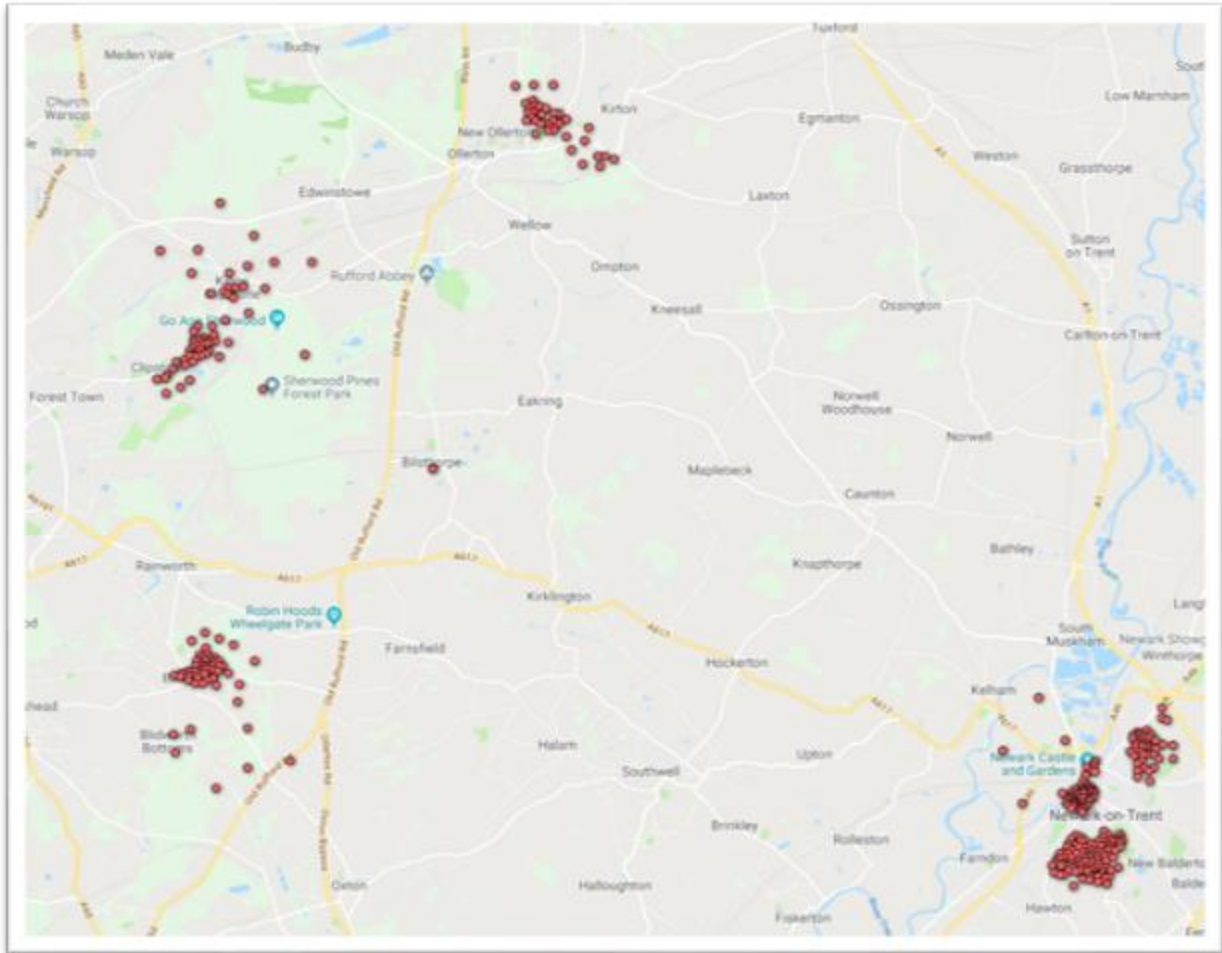
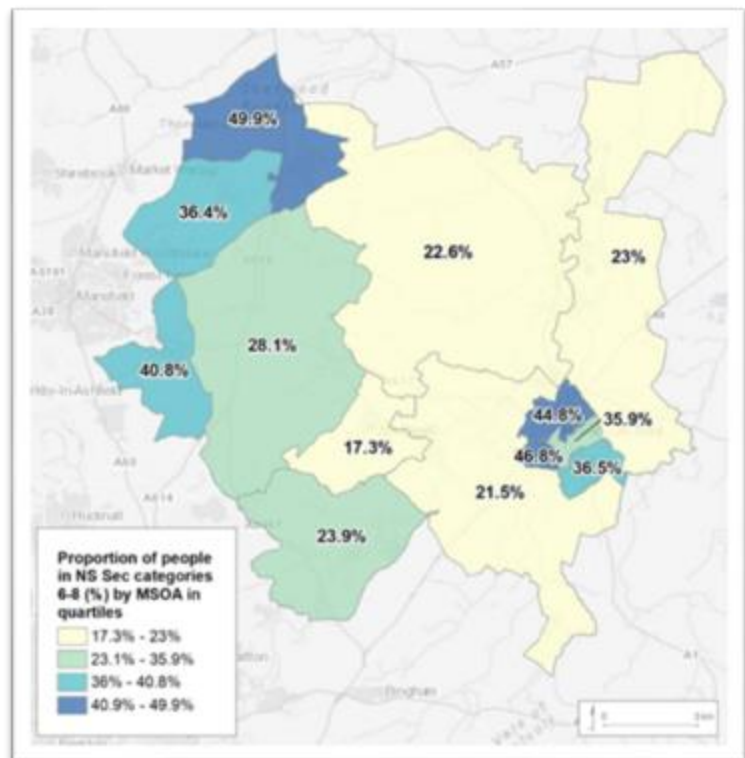


Image 2 - Map of the district highlighting the number of residents in % and number terms in respect of Socio Economic Classifications 6-8 (taken from the NSDC Physical Activity and Sport Plan)

Maps correspond to point 5.4 in the main report.



LEISURE & ENVIRONMENT COMMITTEE

22 JANUARY 2019

LEISURE & ENVIRONMENT COMMITTEE REVENUE BUDGET 2019/20

1.0 Purpose of Report

- 1.1 To inform the Committee of the draft general fund revenue budget and scales of fees and charges for those areas falling under the remit of the Leisure & Environment Committee for 2019/20.
- 1.2 To seek comments from the Committee on the draft general fund revenue budget and scales of fees and charges for those areas falling under the remit of the Leisure & Environment Committee.
- 1.3 To seek approval of the Committee budget as shown at **Appendix A** to be recommended to Policy & Finance Committee at its meeting on 21 February 2019 for inclusion in the overall council budget.
- 1.4 To seek approval of the scales of fees and charges as shown at **Appendix C** to be recommended to Policy & Finance Committee at its meeting on 21 February 2019 and Council on 7 March 2019.

2.0 Background Information

- 2.1 Business Managers and service budget officers have been working with officers from Financial Services to determine a first draft general fund budget and medium term financial plan. The budgets have been prepared in line with the strategy agreed by Policy & Finance Committee on 20 September 2018.
- 2.2 The budget and Medium Term Financial Plan have been developed to reflect, in financial form, the corporate priorities of the Council. Where further targeted areas of focus have been identified, additional resources have been directed to these business units.
- 2.3 A summary of the Committee by Service Team is provided at **Appendix A**, together with a summary at subjective level for the whole Committee at **Appendix B**. To aid comparison, capital charges and central support recharges have been omitted from the reports to show just controllable budgets.

3.0 Revenue Budget Proposals

- 3.1 The current draft budget shows a decrease in 2019/20. Direct service expenditure and income excluding deferred and capital charges, and all central services recharges currently shows an overall increase of £250,580 against 2018/19 budget. This is an increase of 7.42%.
- 3.2 Staffing costs of £3.289m account for approximately 61% of the gross service budget (excluding housing benefits, capital and central recharges). Significant budget savings, therefore, cannot be achieved in this committee budget without affecting staffing levels.

- 3.3 Major variances between 2018/19 and 2019/20 are shown below:
- 3.3.1 Domestic Refuse Collection: Decrease of £0.657m – A change in accounting to correctly account for support service charges has meant that vehicle costs will now be treated as a support service, rather than a cash budget as previously. This has meant that £0.561m has been transferred from being a cash budget to a support service charge reducing the budget. The cash budget has been transferred to the vehicle pool cost centre. Additional income is forecast due to garden waste income, this relates to both increase in customers and the bringing back in house, from Rushcliffe of the admin function relating to this. To offset this, all drivers within the Business Unit were regraded during the current financial year from NS6 to NS7 meaning an increase due to this of £0.035m in salary costs inclusive of the new pay and grading structure for these posts.
 - 3.3.2 Sewerage Works: Decrease of £0.004m – The service was recently re-procured and the level of routine repairs required was significantly streamlined. However, this is offset partly by the increased costs of emptying the cesspools which the Council still have in a number of rural areas of the district.
 - 3.3.3 Street Sweeping: Decrease of £0.057m – The decrease in budget mainly relates to the change in accounting for support services. The budgets in relation to vehicle costs will now be treat as support charges rather than cash budgets. This has meant an equivalent increase in budgets on the Vehicle Pool and Workshop code as the cash income budgets have now been replaced with support service income budgets.
 - 3.3.4 Environmental Health: Decrease of £0.014m – An increase in fees and charges (shown at **Appendix C** together with estimate of increased activity has led to the increase in budgeted income.
 - 3.3.5 Neighbourhood Wardens: Increase of £0.108m – The Policy & Finance Committee agreed at its meeting on 20 September 2018, to create four new Neighbourhood Warden posts, in its pursuit of the Cleaner, Safer Greener agenda. No income has been allowed for in terms of fixed penalty notices, any income generated will be a windfall to the General Fund in year.
 - 3.3.6 Southwell Leisure Centre: Increase of £0.038m – The increase mainly arises from a change in accounting in relation to support services. The support charges from various departments have now been reflected as a cash budget, to which the various other services have now a cash income budget. This is then offset by a reduction in expenditure based on the contribution from the Southwell Leisure Centre trust towards the management fee of £0.015m agreed at the Leisure & Environment Committee on 13 November 2018.
 - 3.3.7 Neighbourhood Centres: Decrease of £0.008m – This Committee agreed a report on 26 June 2018 allowing Reach to lease the Hawtonville Community from the Council, on the basis that all day to day running costs of the centre were incurred directly by Reach. This also meant that any income that they are able to generate by renting out the space would be theirs. This has therefore allowed the decrease in budget.

- 3.3.8 Newark Sports Hub: Decrease of £0.005m – The Newark Sports Hub site has now been leased to the YMCA meaning that requirements for upkeep of the site have transferred to the YMCA and hence allowed the decrease in budget. There is also an allowance for a rental payment from the YMCA for the lease of the site.
- 3.3.9 Active 4 Today: Decrease of £0.006m – This relates to a reduction in premiums for the insurance of the Leisure Centres.
- 3.3.10 Street Naming: Decrease of £0.016m – The Asset Management Business unit have assumed responsibility for the repair and maintenance of the street name plates. As such this budget has been moved into the Asset Management Business unit.
- 3.3.11 Brunel Drive Depot: Increase of £0.014m – An assessment of the property was carried out during the year by the Asset Management Business unit in relation to works needed on the property. This has led to an increase in the R&R contributions necessary to effectively maintain the building.
- 3.3.12 Vehicle Pool and Workshop: Increase of £0.855m – Estimates of fuel costs have increased by £0.060m due to rises in prices of fuel. The additional increase relates to the change in accounting for support services. This has been offset by reductions in all other areas that have vehicle costs.

4.0 Fees and Charges

- 4.1 The level of fees and charges has been considered by officers within the framework set out in the Corporate Charging Policy. Proposals for increases in fees and charges are attached at **Appendix C** for consideration and recommendation to Policy & Finance Committee on 21 February 2019 and Council on 7 March 2019.

5.0 Conclusions

- 5.1 It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years at a time when the Council is facing reducing government grants and other financial pressures.

6.0 RECOMMENDATIONS that:

- (a) the final Committee budget as shown at Appendix A be recommended to Policy & Finance Committee at its meeting on 21 February 2019 for inclusion in the overall council budget; and**
- (b) the scales of fees and charges as shown at Appendix C be recommended to Policy & Finance Committee at its meeting on 21 February 2019 and Council on 7 March 2019.**

Reason for Recommendations

To ensure that the final budget proposals and the level of fees and charges for 2019/20 are recommended to Policy & Finance Committee on 21 February 2019.

Background Papers

None

For further information please contact Nick Wilson.

Nick Wilson
Business Manager - Financial Services

APPENDIX A - BUDGET SUMMARY

LEISURE & ENVIRONMENT

CODE	DESCRIPTION	2018/19 INITIAL BUDGET	2019/20 BASE BUDGET	MORE/(LESS)
A10701	UPKEEP OF DYKES	6,250	6,440	190
A11002	DOMESTIC REFUSE COLLECTION	1,735,960	1,078,650	(657,310)
A11101	PUBLIC CONVENIENCES	33,360	34,350	990
A11103	SEWERAGE WORKS	28,890	24,790	(4,100)
A11104	STREET SWEEPING	566,790	509,360	(57,430)
A11107	DOG CONTROL	44,510	44,440	(70)
A11110	NATIONAL ASSISTANCE ACT BURIAL	3,500	3,570	70
A11135	ENVIRONMENTAL HEALTH	674,900	660,640	(14,260)
A11136	NEIGHBOURHOOD WARDENS	0	107,520	107,520
A11137	BRUNEL DRIVE DEPOT ADMIN	54,210	54,810	600
A11305	SOUTHWELL LEISURE CENTRE	95,850	133,370	37,520
A11321	NEIGHBOURHOOD CENTRES	23,010	15,210	(7,800)
A11339	NEWARK SPORTS HUB	7,200	1,950	(5,250)
A11442	ARTS DEVELOPMENT	39,630	39,790	160
A11576	ACTIVE 4 TODAY	138,190	132,170	(6,020)
A11583	COMMUNITY SPORTS & ARTS DEV	69,430	69,700	270
A11731	STREET NAMING	40,910	24,980	(15,930)
A12221	NEWARK LIVESTOCK MARKET	(200,000)	(200,000)	0
A15003	BRUNEL DRIVE DEPOT	103,960	117,560	13,600
A26901	VEHICLE POOL AND WORKSHOP	(86,670)	768,380	855,050
A26910	VEHICLE POOL NSH	(1,490)	0	1,490
C54789	VISIBLE	0	1,290	1,290
	TOTAL	3,378,390	3,628,970	250,580

APPENDIX B - BUDGET SUMMARY
LEISURE & ENVIRONMENT SUBJECTIVE SUMMARY

CODE	DESCRIPTION	2018/19 INITIAL BUDGET	2019/20 BASE BUDGET	More(Less)
111	SALARIES AND WAGES	2,495,030	2,676,530	181,500
113	NATIONAL INSURANCE	226,750	236,810	10,060
114	SUPERANNUATION	358,050	375,810	17,760
	EMPLOYEE SUB TOTAL	3,079,830	3,289,150	209,320
211	REPAIRS AND MAINTENANCE	45,970	28,330	-17,640
212	ENERGY COSTS	39,600	40,420	820
213	RENT	1,200	1,200	0
214	RATES	46,540	42,650	-3,890
215	WATER SERVICES	16,030	16,440	410
217	CLEANING AND DOMESTIC	1,000	800	-200
219	CONTRIBUTION TO FUNDS	92,330	64,800	-27,530
311	TRANSPORT	902,250	711,940	-190,310
315	CAR ALLOWANCES	27,800	21,420	-6,380
316	INSURANCE	64,240	62,720	-1,520
411	EQUIPMENT AND FURNITURE	80,570	118,020	37,450
412	MATERIALS	16,320	18,370	2,050
431	CLOTHING AND UNIFORMS	16,320	16,880	560
441	GENERAL OFFICE EXPENSES	4,890	5,080	190
451	CONTRACTUAL	381,840	349,310	-32,530
452	OTHER SERVICES	67,170	148,740	81,570
461	COMMUNICATIONS AND COMPUTING	3,410	3,050	-360
471	STAFF	1,230	1,240	10
481	GRANTS	16,770	16,890	120
491	INSURANCE	76,400	42,320	-34,080
493	OTHER	357,400	368,710	11,310
	RUNNING EXPENSES SUB TOTAL	2,259,280	2,079,330	-179,950
	TOTAL EXPENSES	5,339,110	5,368,480	29,370
928	Recharge Non Gf Accounts	-336,240	-220,490	115,750
929	Other Grants	0	-8,000	-8,000
931	Sales	-85,000	-85,000	0
932	Fees And Charges	-1,018,250	-1,152,770	-134,520
933	Rents	-200,000	-202,250	-2,250
938	Fees And Charges	-63,000	-71,000	-8,000
939	Other Receipts	-229,420	0	229,420
951	Recharges	-22,520	0	22,520
958	Int Charge For Services	-6,290	0	6,290
	INCOME SUB TOTAL	-1,960,720	-1,739,510	221,210
		3,378,390	3,628,970	250,580

APPENDIX C

ENVIRONMENTAL HEALTH FEES AND CHARGES

(Charges are inclusive of VAT where applicable)

Type of licence	Relevant act or order*	Notes	Duration	2018/19 Charge	2019/20 Charge
1. Animal Boarding Establishments	Ref 004	The fees have been calculated on a full cost recovery basis	Annual		
Initial				£165	£170
Renewal				£120 + vet fees	£125 + vet fees
2. Home Boarding	Ref 004	The fees has been amended to now charge for each application at the full price when related to a franchise	Annual	£95	£100
Dog Day Care		Domestic House based	Annual	£95	£100
		Commercial undertaking		£150	£175
3. Dangerous Wild Animals	Ref 005	The fees have been calculated on a full cost recovery basis	Annual	£140 + vet fees	£145 + vet fees
4. Dog Breeding	Ref 006	The fees have been calculated on a full cost recovery basis	Annual		
Initial				£165 + vet fees	£170 + vet fees
Renewal				£105 + vet fees	£110 + vet fees
5. Riding Establishments	Ref 007	The fees have been calculated on a full cost recovery basis	Annual		
Initial				£165 + vet fees	£170 + vet fees
Renewal				£130 + vet fees	£135 + vet fees

6. Ear-Piercing, Tattooing, Acupuncture, Electrolysis, Skin piercing and semi- permanent tattooing	Ref 002	The fees have been calculated on a full cost recovery basis	Annual			
				Person	£120	£120
		Where the premises already hold a licence the charge is £120 per additional treatment		Premises	£115	£115
7. Massage & Special Treatment	Ref 008	The fees have been calculated on a full cost recovery basis	Annual			
				Initial	£170	£175
				Renewal	£145	£150
				No massage (just sunbeds)	£165	£170
				Renewal	£120	£125
8. Lasers:	Ref 008	The fees have been calculated on a full cost recovery basis	Annual			
				New	£490	£500
				Renewal	£175	£180
				Transfer	£225	£230
9. Zoos	Ref 009	The fees have been calculated on a full cost recovery basis	First licence valid for 4 years Renewal valid for 6 years			
				Initial Inspection	£520	£520
				Renewal	£380	£380
				Periodic 3 year inspection	£380	£380
				Transfer	£170	£170
10. Pet Shops Pet Animals Act 1951	Ref 010	The fees have been calculated on a full cost recovery basis	Annual			
				New	£165	£170
				Renewal	£120	£125
11. High Hedges	Ref 011	The fees have been calculated on a full cost recovery basis. Prices include VAT	One Off			
				1 st stage	£216	£228
				2 nd stage	£384	£396

12. Licence Application for House in Multiple Occupation	Ref 012	The fees have been calculated on a full cost recovery basis	One off		
Single application				£520	£600
Multiple applications at same time				£440	£500
Variation of licence				£160	£175
13. Scrap Metal Dealer	Ref 013	The fees have been calculated on a full cost recovery basis	Three years		
Site Licence				£375	£375
Collectors Licence				£150	£150
14. Mobile Homes Act 2014	Ref 014	To reflect the variation in the cost of processing the application depending on the size of the site.			
Application fee Plus, per additional unit				£355	£355
Annual Fee		Depends on total number of pitches		£8.60	£8.60
Transfer/amendment of licence				£8.10 per pitch.	£8.10 per pitch.
Depositing Site rules				£160	£165
				£135	£140

1-8	The authority has the discretion to charge a reasonable fee. The increase is approximately 3%
9	Fee now split to differentiate between Council Element and DEFRA element. The authority has the discretion to charge a reasonable fee. No increase proposed for 2019/20
10-14	The authority has the discretion to charge a reasonable fee. Most fees have remained the same , with the exception of the HMO's (12) which are now in line with other local authority charges

CERTIFICATES, AUTHORISATION AND REGISTER COPIES

TYPE	Notes	2018/19 Charge	2019/20 Charge
Health & Purity Certificate		£35	£35
Foot & Mouth Health Certificate		£150	£150
Condemnation Certificate		£200	£200
Environmental Site Reports	Prices include VAT		
Home Buyer Version		£102	£102
Detailed version		£252	£252
Housing immigration check		£100	£100

PRIVATE WATER SUPPLIES

Activity	Notes	NSDC charge 2018-19	Proposed charge 2019-2020
Risk Assessment	Guidance on fees is provided by the Drinking Water Inspectorate	Hourly rate x time spent	Hourly rate x time spent
Sampling		£50	£50
Investigation		Hourly rate + analysis costs	Hourly rate + analysis costs
Authorisation		Hourly rate x time spent	Hourly rate x time spent
Domestic Supplies (Reg 10)		£25	£25
Check Monitoring (Commercial supplies)		£50 plus analysis costs	£50 plus analysis costs
Audit Monitoring (Commercial supplies)		£50 plus analysis costs	£50 plus analysis costs

***Relevant act/ Order References**

Ref 001 - Hypnotism Act 1952

Ref 002 - Local Government (Miscellaneous Provisions) Act 1982

Ref 003 - Local Government (Miscellaneous Provisions) Act 1976

Ref 004 - Animal Boarding Establishments Act 1963

Ref 005 - Dangerous Wild Animals 1976

Ref 006 - Dog Breeding and Sale of Dogs (Welfare) Act 1999

Ref 007 - Riding Establishments Acts 1964 and amended 1970

Ref 008 - Nottinghamshire County Council Act 1985

Ref 009 - Zoos Licensing Act 1981

Ref 010 - Pet Animal Act 1951

Ref 011 - Anti Social Behaviour Act 2003

Ref 012 - Housing Act 2004

Ref 013 - Scrap Metal dealers Act 2013

DOG WARDEN

(Prices are not subject to VAT)

STRAY DOGS:	Duration	2018/19 Charge	2019/20 Charge
This includes Government fee, Local Authority charge, and kennelling costs. Initial seizing and handling charge of £75 + £8 per day food, water and kennel costs.	1 Day	£83	£83
	2 Days	£91	£91
	3 Days	£99	£99
	4 days	£107	£107
	5 Days	£115	£115
	6 Days	£123	£123
	7 Days	£131	£131

NOTE: No increase is proposed. Owners need to be encouraged to reclaim their dogs. Benchmarking with neighbouring authorities shows that these figures are slightly above average.

TRADE WASTE CONTRACT CHARGES

A 10% DISCOUNT IS GIVEN FOR EACH ADDITIONAL BIN PER SITE PER COLLECTION

Prices include VAT where applicable

Trade Waste, Recycling and Garden Bins				
We have set figures for these services and have used a disposal cost estimate provided by Nottinghamshire County Council (disposal authority). They have informed us that it is a best guess and actual figures will not be available until the new year. Therefore it should be noted that the final figure could change.				
REFUSE				
Bin Size	2018/19	2018/19	2019/20	2019/20
	Collection Charge	Disposal Charge	Collection Charge	Disposal Charge
140L	£2.15	£1.39	£2.15	£1.41
240L	£2.65	£2.39	£2.65	£2.41
360L	£3.25	£3.58	£3.25	£3.61
660L	£4.75	£6.57	£4.75	£6.63
1100L	£7.00	£10.95	£7.00	£11.04
Pre-Paid Sacks	£1.70	£0.60	£1.70	£0.60
Clinical	£2.10	£6.20	£2.10	£6.39
RECYCLING				
Bin Size	2018/19	2018/19	2019/20	2019/20
	Collection Charge	Disposal Charge	Collection Charge	Disposal Charge
140L	£2.15	£0.33	£2.15	£0.33
240L	£2.65	£0.56	£2.65	£0.56
360L	£3.25	£0.84	£3.25	£0.84
660L	£4.75	£1.54	£4.75	£1.54
1100L	£6.95	£2.57	£6.95	£2.57
Pre-Paid Sacks	£1.70	N/A	£1.70	N/A
Clinical	£2.10	N/A	£2.10	N/A
Trade Waste contract charges				
		2018/19 Charge	2019/20 Charge	
	Alteration Fee	£36	£36	
	Lockable Bin	£36	£36	
	Access Fee (Maximum)	5 – 10% of total cost dependant on site	5 – 10% of total cost dependant on site	
Domestic Garden Bins				
		2018/19 Charge	2019/20 Charge	
	Price per bin	£35	£35	

Cost of bin for new properties				
		Bin Size	2018/19 Charge	2019/20 Charge
		140L	£32	£32
		240L	£32	£32
		360L	£48	£48
		660L	£258	£258
		1100L	£284	£284
		Developers delivery charge (per load)	£60	£60
Bulky Waste Charges			2018/19 Charge	2019/20 Charge
Domestic Bulky Waste				
		First Item	£14	£14
		Subsequent item	£8	£8
Electrical Items				
		First Item	£14	£14
		Subsequent item	£14	£8
		Large Items which are not covered by the above charges	£62 per hour	£62 per hour
Commercial Fridges			2018/19 Charge	2019-20 Charge
		Per Unit	£88	£88
		Collection and Transport	£110	£110
Cleansing Services Hours			2018-19 Charge	2019-20 Charge
		1hour	£62	£62
		1.5 hours	£93	£93
		2 hours	£124	£124
		3 hours	£186	£186
		4 hours	£248	£248
		5 hours	£310	£310
Emptying bins (cost per empty of bin)			2018-19 Charge	2019-20 Charge
		Litter bins	£0.65	£0.75
		Dog Bins	£1.90	£1.90

NOTE: The Business Manager has an element of flexibility to adjust the fees and charges to respond to customer and market demands. This is at the discretion of the Business Manager, who will be mindful that costs must be covered.

PUBLIC CONVENIENCE CHARGES

Public Convenience	2018/2019 Charge	2019/20 Charge
Gilstrap Centre	20p	20p

Business Case



Garden Waste

January 2019

Document Control

Author(s)	Deborah Johnson (Project Lead) and Natalie Cook (Project Support)
Version	V1
Hyperlink	\\File-p-fs01\data\nsdcshared\CPDT\Projects (Tranche 1)\Garden Waste\10. Business Case - LE Jan\Business Case - Garden Waste.docx
Approval	Leisure and Environment Committee Policy and Finance Committee

Contributors	<p>Matthew Finch – Director of Communities and Environment (Project Sponsor)</p> <p>Andy Kirk – Business Manager, Waste and Transport Services</p> <p>Matt Adey – Assistant Business Manager, Waste and Transport Services</p> <p>Dean Rothwell – Accountant, Financial Services</p> <p>Diane Kirk – Business Manager, Administrative Services</p> <p>Jill Baker – Business Manager, External Communications and Customer Services</p>
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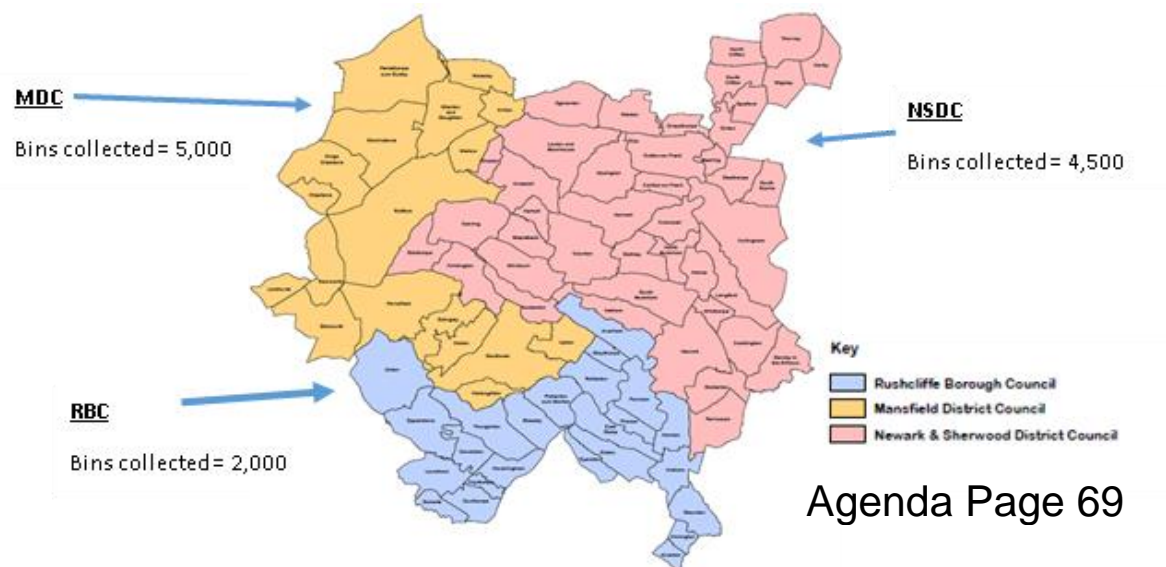
1. Background

The current garden waste arrangement is delivered in partnership with Rushcliffe Borough Council (RBC) and Mansfield District Council (MDC) and has been operating since 2014. A Memorandum of Understanding (MoU) has been signed by the three local authorities to deliver the service across the district. The garden waste service currently has approx 11,500 garden waste customers and operates a mixed delivery approach within the district.

MDC	RBC	NSDC
<ul style="list-style-type: none"> • 5,000 bins collected • Administration for the 5,000 is provided by MDC • Customer expected to contact MDC customer services to register for service or report missed bin 	<ul style="list-style-type: none"> • 2,000 bins collected • Administration provided by RBC for 2,000 bins • Customer expected to contact RBC customer services to register for service or report missed bin 	<ul style="list-style-type: none"> • 4,500 bins collected • Administration for the 4,500 is provided by NSDC from Jan 2019 (it was previously delivered by RBC) • Customer expected to contact NSDC customer services to register for service or report missed bin

Members at Leisure and Environment Committee in June 2018 agreed to transfer the administration from RBC back to an in house provision (approx 4,500 properties). The transfer of the administration of 4,500 properties is now operating in house, with renewal letters and stickers being sent out in February/March for the commencement of the garden waste scheme in April 2019. The transfer of the administration will generate an income of £30k per annum and will offer an improved customer experience.

The current collection arrangement detailed in the map below, illustrates that MDC collect from approx. 5,000 properties towards the Sherwood area of the district. The District Council collect from approx. 4,500 properties in Newark and the surrounding areas and RBC collect from approx. 2,000 properties towards the South of the District.



2. Objectives

The objective of this business case is to consider the option of bringing the entire garden waste service back in house. This would include collection of the service throughout the District and the administration for approx. 5,000 properties currently undertaken by MDC and administration for approx 2,000 properties undertaken by RBC.

The rollout of a garden waste collection service across the district aligns with the Council's Commercialisation Vision identified in the Commercial strategy.

"Our vision is to be an innovative and entrepreneurial Council that continually achieves positive annual financial contributions; by generating new revenue and delivering cost reductions, through trading and business improvements" (Commercialisation Vision, Commercial Strategy, approved by Council, October 2017)

A number of neighbouring authorities successfully operate an entire garden waste service in house and generate a surplus. Therefore it is sensible that NSDC explore the options of the bringing the service back in house in order to satisfy the ambitions set out in the Council's commercial strategy.

3. Options Appraisal

The options considered in developing this business case have been amended to reflect the recent national waste strategy. A summary of which is detailed below.

National Waste Strategy

Although not part of the original remit of this business case, the recent publication of the National Waste Strategy "Our Waste, Our Resources: A Strategy for England", published in December 2018 has an influence on the preferred option in the business case. The strategy establishes a commitment to consult on universal food waste collections and the provision of free garden waste services for all households with a garden. It is unclear at this stage if this will become a reality and to what extent any free garden waste service would be linked with universal food waste collections (they can be processed separately or together through differing systems). This consultation is expected in early 2019 with implementation milestones set for 2023.

Should a free garden waste collection service be mandated it will require a considerable investment to ensure that the council can meet the infrastructure and associated requirements. It is highly likely that RBC and MDC will wish to withdraw their vehicles from the NSDC area in order to support the increased provision required in their areas. In this scenario it is estimated that NSDC would have to invest in additional resource (at least 3 garden waste collection vehicles and crew) on top of the provision identified in this business case.

Option one: Do nothing – Continue ‘as is’ arrangement

This is no longer a viable option in light of the national waste strategy. It is unlikely that either or both MDC and RBC would wish to continue to provide the service for NSDC. In light of the national waste strategy, it is likely that either or both MDC and RBC would wish to issue notice and withdraw from the current provision. The notice required is 8 months.

Option Two: Bring all of the garden waste service back in house. This would include:

- Transferring the collection and administration of approx. 7,000 properties (approx. 5,000 operated by MDC and approx. 2,000 operated by RBC) back to the District Council and seeking to expand the service further.

Option two is the preferred option. It aligns with the Council’s Commercial ambitions identified in the Commercial strategy and would also contribute to the Council’s Cleaner, Safer, and Greener (CSG) initiative. It would offer greater autonomy to incorporating the service into future CSG campaigns, promoting the service and providing NSDC with greater control over the full operation of the service. The customer would benefit from an improved customer experience as they will be provided with a single point of contact (NSDC customer services) for all types of refuse collection.

It is considered practical to bring the garden waste service back in house now in order to establish some of the infrastructure in the possible event of a nationally mandated free garden waste service for all households with a garden. This would also mean that some additional income can be recouped until such time when/if the free garden waste service is implemented nationally.

4. The Proposal

The proposed option is to bring all of the garden waste service back in house. Following an initial capital outlay of approx £450k, there will be an estimated revenue surplus to the service of approx. £55k in the first year. The proposal in detail is set out below:-

Operations

NSDC would need to purchase two 32 tonne trucks and fill each wagon with 15 tonnes of waste (currently we operate 26 tonnes across our fleet). This would allow for more waste to be collected in one round therefore maximising our potential for growth and to offer extra capacity in other waste areas such as the potential expansion of the trade waste service.

Staffing

The staffing ratio would remain at 1 driver and 2 loaders per vehicle, however, consideration has been given to operating a varied staffing ratio such as 1 driver and 1

loader in more rural areas and in concentrated urban areas, operating 1 driver and 2 loaders. It is felt at this stage that the staffing ratio should remain the same (1 driver and 2 loaders) until the service has returned to an in house provision. The costs of additional staff required is explored in the financial implications section (section 5) of the business case.

Customer Retention and Customer Experience

It is assumed that NSDC would retain the existing customers who are currently served by MDC and RBC (currently approx 7,000 customers in total) following the transfer.

From a customer experience perspective, there would be no material change to the service. The garden waste bin would still be collected on a fortnightly basis as per current arrangements. The customer would benefit from an improved customers experience as they will be provided with a single point of contact (NSDC customer services) for all types of refuse collection and would benefit from integration with existing digital by default platforms. It is already assumed by some customers that NSDC can resolve their garden waste queries serviced by RBC or MDC. Currently, in this instance, the customer would be told to call the relevant authority. By having NSDC collect and administer the entire service, this would reduce this confusion and offer a seamless service for the customer.

Purchase of existing bins from MDC and RBC

It has been assumed that MDC and RBC would not want to keep the bins for the existing NSDC customers due to the inconvenience of having to collect, store and potentially clean the bins (for re-use purposes). It is likely to be more expensive for MDC and RBC to go through the process of the collection and storage of the current bins rather than buying new ones.

Therefore it has been assumed that NSDC would purchase the bins owned by MDC and RBC at a negotiated price. We would negotiate the bin purchase price to ensure that NSDC were getting value for money. Due to the age and presumed condition of the bins, and for the purpose of the financial forecast of this business case, we have estimated a cost of £10 per bin in section 5 of this business case. However, we anticipate that we could purchase the bins at a better deal.

Future Growth

The business case includes a targeted approach to future growth areas to grow our customer base. Marketing campaigns would include targeting an area already on an existing round or targeting an area where our waste vehicles already travel through in order to reach their next destination. This would maximise income for the least cost/fuel time. Once the service is operating back in house, Waste and Transport Services would

explore incentive schemes to grow the service, such as promotions and initial discount offers.

To support future growth, it is proposed that housing developers should purchase the garden waste bin, as per the current arrangement for existing domestic refuse and recycling bins. This would ensure all new properties have a garden waste bin available whether or not the resident chooses to use the service. Currently the cost of a new garden waste bin is absorbed by the Council at a cost of £16 per bin. By arranging for housing developers to absorb this cost, this would reduce the overhead costs of the service.

To stimulate growth in new housing developments, a free service for a limited period would be offered. Evidence shows that where a service has been offered free, 50% of those customers accessing a free service will continue with that service at a cost to them. It is worth noting that the projections for housing growth used in this business case have been incorporated into the financial forecast, based on a free service for new estate areas and 50% retention rate in those areas. This has been retained within the forecast even though the national waste strategy references a free service for garden waste collection because the strategy is currently out to consultation and this stage there is no certainty that free garden waste service will be delivered.

Administration and Customer Services

The administration for the additional 7,000 households can be absorbed by current existing staffing arrangements within the Administrative Service Business Unit. The costs associated with printing and posting renewal letters and stickers are included in the financial implications section (section 5) of this business case.

It has been identified that Customer Services would require additional resource to process the increased volume of customer enquiries such as processing payments via phone at the start of the garden waste service year. The costs associated with additional staffing have been included in the financial implications section (section 5) of this business case.

5. Financial and Resource implications

Financial Forecast

Currently, NSDC collect from approximately 4500 customers based in the northern and eastern parts of the district. After separating out the garden waste expenditure and income from that of the domestic and trade waste collection services, the garden waste collection service breaks even. This service is provided by 1.3 collection vehicles per week.

The table in fig.1.1 illustrates the additional expenditure and income from NSDC taking over collection and administration of the service for the whole district from April 2020 (Option Two). As can be seen from the table, and as previously stated in the business case, increasing surpluses can be generated from bringing the whole service back in house. However, there will be significant capital investment required in order to achieve this.

Capital Outlay

The council would require capital investment in order to expend the service from 4,500 customers to potentially, in excess of 12,000 customers in 2020. This would require investing in two new 32 tonne vehicles at a cost of £185k each. It would also require the council to purchase the required bins to collect in the areas that MDC and RDC currently collect. For the purposes of the business case we have assumed that the council would buy these bins from the other two collecting authorities due to the inconvenience of having to collect, store and potentially clean the bins at a cost of £10 per bin. Therefore, the capital outlay required would be approximately £450k. It is likely at this stage, that this would be financed by borrowing, which would cost the Council's revenue budget circa £73k per annum over the life of the assets (worst case scenario) in interest and Minimum Revenue Provision (MRP). This additional revenue cost could be funded from surpluses generated by the garden waste collection service in future years.

Revenue Forecast

The revenue forecast contain a number of assumptions, which now need clarification. The staffing requirements will consist of two additional drivers and four additional loaders. The costs used are the current costs for the operatives, with inflation factored in annually and also include sickness and holiday cover expenditure. There may be TUPE implications in relation to the current operatives within MDC and RDC, but this should not create any additional financial pressure on the Council.

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the staffing and vehicle costs are then apportioned to street cleansing which is highlighted in Figure 1.1 as 'additional costs for services'. The forecast also includes the additional postage and staffing for sending out customer invoices and dealing with customer queries.

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Revenue								
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
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Transport		50,110	51,350	52,630	53,940	55,290	56,670	58,100
Supplies & Services		12,580	12,770	12,960	13,160	13,360	13,570	13,780
Additional Costs incurred by Other Services		42,450	43,270	44,380	45,510	46,670	47,870	49,090
Total Expenditure		256,780	262,060	267,740	273,530	279,460	285,530	291,740
Garden Waste Collection Income		(311,410)	(332,280)	(358,210)	(383,210)	(383,900)	(384,590)	(385,280)
Forecast Surplus to Garden Waste Service		(54,630)	(70,220)	(90,470)	(109,680)	(104,440)	(99,060)	(93,540)
Financing of Capital Expenditure		73,000	73,000	73,000	73,000	73,000	73,000	73,000
Net effect to the Council		18,370	2,780	(17,470)	(36,680)	(31,440)	(26,060)	(20,540)
Capital								
Purchase of 2 new vehicles	370,000							
Cost of bins from MDC & RDC	77,600							
Total	447,600							

Figure.1.1

The proposed option forecasts a surplus of £55k in the first year in addition to the £30k already achieved through bringing the admin back in house as per of this review. This increases to £100k additional income by 2023/24. The lifetime of the vehicle is estimated at 7 years which is why the above table shows a 7 year forecast. The total capital repayments is £511k. The forecast surplus to the service is £622k over the same period. The forecast income and expenditure would change significantly if the Council decided to increase charges by more than those stated in the business case. Alternatively, central government could impose a free garden waste service on all local authorities and this would have considerable detrimental financial impact on the council unless additional funding becomes available as a result of the waste strategy.

The income forecast in figure 1.1 is based on a charge per bin of £37 in 2020/21, increasing by £1 per year until 2023/24 when the charge will remain at £40 for following years and then revisited based on the rate of inflation to the nearest pound. Any changes in fees and charges would be subject to Committee approval, However as a comparison against authorities geographically adjacent to NSDC, current and forecast garden waste charges are included in Figure 1.2. It is important to note, that the estimated charges in 2020/21 are based on an assumption that the garden waste providers in our geographical locations would also increase their charges based on the rate of inflation to the nearest pound. The charges indicate that NSDC would remain below average compared to our geographical neighbours as is the current position for 18/19.

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Average (to the nearest £)	£36.00	£38.00

Figure 1.2

6. Risk

With all projects there are elements of risk and it is good practice to capture these and the associated mitigation actions which have been undertaken.

Risk	Risk Description	Mitigating Action/s
Reputation	Bringing garden waste back in house may cause discontent with partners (RBC and MDC)	Initial conversations have taken place with RBC and MDC in relation to NSDC's proposals
Staffing	Insufficient resource (staff and vehicles) to deliver the proposed option	Financial modelling has been undertaken to ensure that costs associated are incorporated
Customer Experience	The proposed option still delivers a disjointed experience from a customer experience leading to dissatisfied customer and an increase in customer complaints	The proposed option ensures that the service offers parity across the district and is in line with the rest of the household waste services
Space	Lack of physical space to deliver increased in house service	Consideration has been given to the space at the depot and impacts on the 'O' Licence
ICT	The software to take payments for the increased volume of customers is not suitable	Consideration has been given to the ICT requirements
Service Delivery	MDC and RBC could serve notice to NSDC before we have implemented the proposed option	NSDC are exploring options for bringing garden waste back in house through the development of a business case
Waste strategy	The National Waste Strategy could mandate a free garden	Through implementation of the proposed option, NSDC would be able

waste service for all households with a garden and NSDC are not equipped to deliver the service to all households	to establish some of the infrastructure now in the event of a nationally mandated free garden waste service
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7. Implementation

Subject to Committee approval, indicative timescales for implementation are listed below:-

Milestone	Date
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Business Case to Policy & Finance Committee for approval	24 Jan 2019
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Billing and renewal letters sent by NSDC to all garden waste service customers	Feb 2020
Collection and administration for garden waste service operated by NSDC	April 2020

8. Review

The Leisure and Environment Committee will receive regular updates on the progress of the project up until the service is established and is formally operating in the Waste and Transport Services Business Unit.

Business Case



Garden Waste

January 2019

Document Control

Author(s)	Deborah Johnson (Project Lead) and Natalie Cook (Project Support)
Version	V1
Hyperlink	\\File-p-fs01\data\nsdshared\CPDT\Projects (Tranche 1)\Garden Waste\10. Business Case - LE Jan\Business Case - Garden Waste.docx
Approval	Leisure and Environment Committee Policy and Finance Committee

Contributors	<p>Matthew Finch – Director of Communities and Environment (Project Sponsor)</p> <p>Andy Kirk – Business Manager, Waste and Transport Services</p> <p>Matt Adey – Assistant Business Manager, Waste and Transport Services</p> <p>Dean Rothwell – Accountant, Financial Services</p> <p>Diane Kirk – Business Manager, Administrative Services</p> <p>Jill Baker – Business Manager, External Communications and Customer Services</p>
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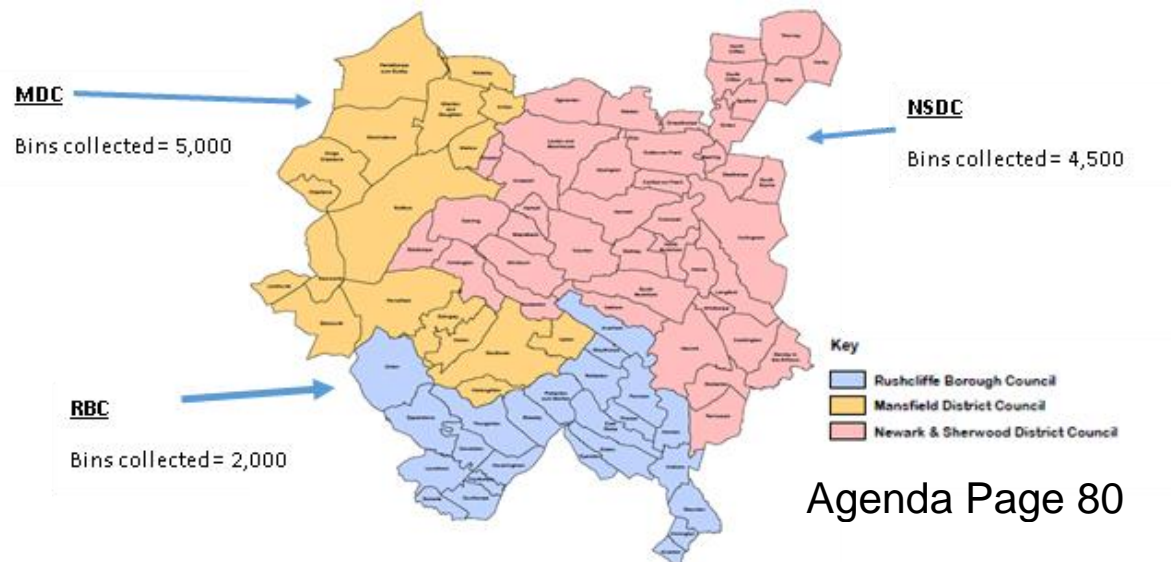
1. Background

The current garden waste arrangement is delivered in partnership with Rushcliffe Borough Council (RBC) and Mansfield District Council (MDC) and has been operating since 2014. A Memorandum of Understanding (MoU) has been signed by the three local authorities to deliver the service across the district. The garden waste service currently has approx 11,500 garden waste customers and operates a mixed delivery approach within the district.

MDC	RBC	NSDC
<ul style="list-style-type: none"> • 5,000 bins collected • Administration for the 5,000 is provided by MDC • Customer expected to contact MDC customer services to register for service or report missed bin 	<ul style="list-style-type: none"> • 2,000 bins collected • Administration provided by RBC for 2,000 bins • Customer expected to contact RBC customer services to register for service or report missed bin 	<ul style="list-style-type: none"> • 4,500 bins collected • Administration for the 4,500 is provided by NSDC from Jan 2019 (it was previously delivered by RBC) • Customer expected to contact NSDC customer services to register for service or report missed bin

Members at Leisure and Environment Committee in June 2018 agreed to transfer the administration from RBC back to an in house provision (approx 4,500 properties). The transfer of the administration of 4,500 properties is now operating in house, with renewal letters and stickers being sent out in February/March for the commencement of the garden waste scheme in April 2019. The transfer of the administration will generate an income of £30k per annum and will offer an improved customer experience.

The current collection arrangement detailed in the map below, illustrates that MDC collect from approx. 5,000 properties towards the Sherwood area of the district. The District Council collect from approx. 4,500 properties in Newark and the surrounding areas and RBC collect from approx. 2,000 properties towards the South of the District.



2. Objectives

The objective of this business case is to consider the option of bringing the entire garden waste service back in house. This would include collection of the service throughout the District and the administration for approx. 5,000 properties currently undertaken by MDC and administration for approx 2,000 properties undertaken by RBC.

The rollout of a garden waste collection service across the district aligns with the Council's Commercialisation Vision identified in the Commercial strategy.

"Our vision is to be an innovative and entrepreneurial Council that continually achieves positive annual financial contributions; by generating new revenue and delivering cost reductions, through trading and business improvements" (Commercialisation Vision, Commercial Strategy, approved by Council, October 2017)

A number of neighbouring authorities successfully operate an entire garden waste service in house and generate a surplus. Therefore it is sensible that NSDC explore the options of the bringing the service back in house in order to satisfy the ambitions set out in the Council's commercial strategy.

3. Options Appraisal

The options considered in developing this business case have been amended to reflect the recent national waste strategy. A summary of which is detailed below.

National Waste Strategy

Although not part of the original remit of this business case, the recent publication of the National Waste Strategy "Our Waste, Our Resources: A Strategy for England", published in December 2018 has an influence on the preferred option in the business case. The strategy establishes a commitment to consult on universal food waste collections and the provision of free garden waste services for all households with a garden. It is unclear at this stage if this will become a reality and to what extent any free garden waste service would be linked with universal food waste collections (they can be processed separately or together through differing systems). This consultation is expected in early 2019 with implementation milestones set for 2023.

Should a free garden waste collection service be mandated it will require a considerable investment to ensure that the council can meet the infrastructure and associated requirements. It is highly likely that RBC and MDC will wish to withdraw their vehicles from the NSDC area in order to support the increased provision required in their areas. In this scenario it is estimated that NSDC would have to invest in additional resource (at least 3 garden waste collection vehicles and crew) on top of the provision identified in this business case.

Option one: Do nothing – Continue ‘as is’ arrangement

This is no longer a viable option in light of the national waste strategy. It is unlikely that either or both MDC and RBC would wish to continue to provide the service for NSDC. In light of the national waste strategy, it is likely that either or both MDC and RBC would wish to issue notice and withdraw from the current provision. The notice required is 8 months.

Option Two: Bring all of the garden waste service back in house. This would include:

- Transferring the collection and administration of approx. 7,000 properties (approx. 5,000 operated by MDC and approx. 2,000 operated by RBC) back to the District Council and seeking to expand the service further.

Option two is the preferred option. It aligns with the Council’s Commercial ambitions identified in the Commercial strategy and would also contribute to the Council’s Cleaner, Safer, and Greener (CSG) initiative. It would offer greater autonomy to incorporating the service into future CSG campaigns, promoting the service and providing NSDC with greater control over the full operation of the service. The customer would benefit from an improved customer experience as they will be provided with a single point of contact (NSDC customer services) for all types of refuse collection.

It is considered practical to bring the garden waste service back in house now in order to establish some of the infrastructure in the possible event of a nationally mandated free garden waste service for all households with a garden. This would also mean that some additional income can be recouped until such time when/if the free garden waste service is implemented nationally.

4. The Proposal

The proposed option is to bring all of the garden waste service back in house. Following an initial capital outlay of approx £450k, there will be an estimated revenue surplus to the service of approx. £55k in the first year. The proposal in detail is set out below:-

Operations

NSDC would need to purchase two 32 tonne trucks and fill each wagon with 15 tonnes of waste (currently we operate 26 tonnes across our fleet). This would allow for more waste to be collected in one round therefore maximising our potential for growth and to offer extra capacity in other waste areas such as the potential expansion of the trade waste service.

Staffing

The staffing ratio would remain at 1 driver and 2 loaders per vehicle, however, consideration has been given to operating a varied staffing ratio such as 1 driver and 1

loader in more rural areas and in concentrated urban areas, operating 1 driver and 2 loaders. It is felt at this stage that the staffing ratio should remain the same (1 driver and 2 loaders) until the service has returned to an in house provision. The costs of additional staff required is explored in the financial implications section (section 5) of the business case.

Customer Retention and Customer Experience

It is assumed that NSDC would retain the existing customers who are currently served by MDC and RBC (currently approx 7,000 customers in total) following the transfer.

From a customer experience perspective, there would be no material change to the service. The garden waste bin would still be collected on a fortnightly basis as per current arrangements. The customer would benefit from an improved customers experience as they will be provided with a single point of contact (NSDC customer services) for all types of refuse collection and would benefit from integration with existing digital by default platforms. It is already assumed by some customers that NSDC can resolve their garden waste queries serviced by RBC or MDC. Currently, in this instance, the customer would be told to call the relevant authority. By having NSDC collect and administer the entire service, this would reduce this confusion and offer a seamless service for the customer.

Purchase of existing bins from MDC and RBC

It has been assumed that MDC and RBC would not want to keep the bins for the existing NSDC customers due to the inconvenience of having to collect, store and potentially clean the bins (for re-use purposes). It is likely to be more expensive for MDC and RBC to go through the process of the collection and storage of the current bins rather than buying new ones.

Therefore it has been assumed that NSDC would purchase the bins owned by MDC and RBC at a negotiated price. We would negotiate the bin purchase price to ensure that NSDC were getting value for money. Due to the age and presumed condition of the bins, and for the purpose of the financial forecast of this business case, we have estimated a cost of £10 per bin in section 5 of this business case. However, we anticipate that we could purchase the bins at a better deal.

Future Growth

The business case includes a targeted approach to future growth areas to grow our customer base. Marketing campaigns would include targeting an area already on an existing round or targeting an area where our waste vehicles already travel through in order to reach their next destination. This would maximise income for the least cost/fuel time. Once the service is operating back in house, Waste and Transport Services would

explore incentive schemes to grow the service, such as promotions and initial discount offers.

To support future growth, it is proposed that housing developers should purchase the garden waste bin, as per the current arrangement for existing domestic refuse and recycling bins. This would ensure all new properties have a garden waste bin available whether or not the resident chooses to use the service. Currently the cost of a new garden waste bin is absorbed by the Council at a cost of £16 per bin. By arranging for housing developers to absorb this cost, this would reduce the overhead costs of the service.

To stimulate growth in new housing developments, a free service for a limited period would be offered. Evidence shows that where a service has been offered free, 50% of those customers accessing a free service will continue with that service at a cost to them. It is worth noting that the projections for housing growth used in this business case have been incorporated into the financial forecast, based on a free service for new estate areas and 50% retention rate in those areas. This has been retained within the forecast even though the national waste strategy references a free service for garden waste collection because the strategy is currently out to consultation and this stage there is no certainty that free garden waste service will be delivered.

Administration and Customer Services

The administration for the additional 7,000 households can be absorbed by current existing staffing arrangements within the Administrative Service Business Unit. The costs associated with printing and posting renewal letters and stickers are included in the financial implications section (section 5) of this business case.

It has been identified that Customer Services would require additional resource to process the increased volume of customer enquiries such as processing payments via phone at the start of the garden waste service year. The costs associated with additional staffing have been included in the financial implications section (section 5) of this business case.

5. Financial and Resource implications

Financial Forecast

Currently, NSDC collect from approximately 4500 customers based in the northern and eastern parts of the district. After separating out the garden waste expenditure and income from that of the domestic and trade waste collection services, the garden waste collection service breaks even. This service is provided by 1.3 collection vehicles per week.

The table in fig.1.1 illustrates the additional expenditure and income from NSDC taking over collection and administration of the service for the whole district from April 2020 (Option Two). As can be seen from the table, and as previously stated in the business case, increasing surpluses can be generated from bringing the whole service back in house. However, there will be significant capital investment required in order to achieve this.

Capital Outlay

The council would require capital investment in order to expend the service from 4,500 customers to potentially, in excess of 12,000 customers in 2020. This would require investing in two new 32 tonne vehicles at a cost of £185k each. It would also require the council to purchase the required bins to collect in the areas that MDC and RDC currently collect. For the purposes of the business case we have assumed that the council would buy these bins from the other two collecting authorities due to the inconvenience of having to collect, store and potentially clean the bins at a cost of £10 per bin. Therefore, the capital outlay required would be approximately £450k. It is likely at this stage, that this would be financed by borrowing, which would cost the Council's revenue budget circa £73k per annum over the life of the assets (worst case scenario) in interest and Minimum Revenue Provision (MRP). This additional revenue cost could be funded from surpluses generated by the garden waste collection service in future years.

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The revenue forecast contain a number of assumptions, which now need clarification. The staffing requirements will consist of two additional drivers and four additional loaders. The costs used are the current costs for the operatives, with inflation factored in annually and also include sickness and holiday cover expenditure. There may be TUPE implications in relation to the current operatives within MDC and RDC, but this should not create any additional financial pressure on the Council.

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LEISURE AND ENVIRONMENT COMMITTEE

22 JANUARY 2019

AUTHORISATION OF OFFICERS

1.0 Purpose of the Report

- 1.1 To review and update the formal authorisation of officers dealing with enforcement matters within the Communities and Environment Directorate.
- 1.2 To authorise additional posts to carry out enforcement action, strengthening the Council's ability to take enforcement action, where appropriate, to deliver the objectives of the Council's Cleaner Safer Greener priorities.

2.0 Background

- 2.1 Much of the work carried out by officers within the Communities and Environment Directorate is enforcement based and the staff involved in this work need to have the power to carry out their functions expressly given to them by the local authority. They are required to be formally authorised to carry out their functions and while carrying out that function they have the ability to use specific powers contained within the statutes. This may be providing a right of entry into premises/ or giving specific powers to take samples, take photographs, etc. or in some pieces of legislation to serve enforcement notices and/or to bring legal proceedings.
- 2.2 The introduction of Community Protection Officers has strengthened the Councils resilience to carry to tackle ASB and Environmental Crime. These posts require formal authorisation to carry out the Enforcement Functions involved in this role.
- 2.3 As a new role staff from the Parks and Amenities Business unit is present within areas of open space on a daily basis and often can witness potential offences and therefore giving these staff the ability to issue fixed penalty notices will enhance the enforcement capability across the Council.
- 2.4 If an officer is not authorised any action taken by way of enforcement is void as it has no legal standing.

3.0 Introduction

- 3.1 The formal authorisation of staff within the Community and Environment Directorate requires regular updating to take account of changes to and the introduction of new legislation and to support emerging Council Priorities. It is also necessary to ensure that new posts are duly authorised.
- 3.2 It is considered appropriate to formalise the authorisation of officers to ensure that any investigation and subsequent enforcement action is carried out by duly authorised officers acting on behalf of Newark and Sherwood District Council. The Officers to be Authorised and the relevant legislation is set out below.

4.0 Proposals

4.1 It is proposed that staff within the Directorate of Communities and Environment Directorate, Public Protection Business Unit employed within the in the posts as set out below be authorised to act on behalf of the Newark and Sherwood District Council to exercise the relevant powers contained within the legislation set out in Paragraph 4.3; further that any staff subsequently employed in these or equivalent posts to exercise the provisions of the legislation shown below are also authorised.

4.2 The posts to be duly authorised are:

Business Manager
Assistant Business Manager
Senior Environmental Health Officer
Environmental Health Officer
Senior Food Safety Officer
Environmental Health Technical Officer
Community Protection Officer
Licensing Enforcement Officer
Senior Licensing Officer

4.3 The above-mentioned staff to be authorised to carry out all actions on behalf of Newark and Sherwood District Council as detailed under the following Acts according to their individual training and experience which will be assessed by the Business Manager with reference to guidance and industry best practice. Each officer will receive in writing the scope of their authorisation following the above assessment. All authority given to any Act below shall include any amendments to ten Acts and any regulations issued in accordance with the provisions of the Act.

Town Police Clauses Act 1847
Public Health Acts Amendment Act 1907
Police, Factories and (Miscellaneous Provisions Act 1916
Public Health Act 1936
House to House Collections Act 1939
Prevention of Damage by Pests Act 1949
Caravan Sites and Control of Development Act 1960 (as amended by the Mobile Homes Act 2013).
Public Health Act 1961
European Communities Act 1972
Control of Pollution Act 1974
Health and Safety at Work (etc) Act 1974
Local Government (Miscellaneous Provisions) Act 1976
Dangerous Wild Animals Act 1976
Refuse Disposal (Amenity) Act 1978
Zoo Licensing Act 1981
Local Government (Miscellaneous Provisions) Act 1982 as amended by Part 8 of the Local Government Act 2003
Public Health (Control of Diseases) Act 1984
Building Act 1984
Food and Environment Protection Act 1985

Housing Act 1985
 Nottinghamshire County Council Act 1985
 Town & Country Planning Act 1990
 Food Safety Act 1990
 Environmental Protection Act 1990 (as amended by the Noise and Statutory Nuisance Act 1993)
 Dangerous Dogs Act 1991
 Water Industries Act 1991
 Clean Air Act 1993
 Noise and Statutory Nuisance Act 1993
 Sunday Trading Act 1994
 Environment Act 1995
 Noise Act 1996 (as amended by the Clean Neighbourhoods & Environment Act 2005)
 Antisocial Behaviour Act 2003
 Licensing Act 2003
 Housing Act 2004
 Clean Neighbourhoods & Environment Act 2005
 Gambling Act 2005
 Animal Welfare Act 2006
 Health Act 2006
 Control of Pollution Act 1989 (as amended)
 Sunbeds (Regulation) Act 2010
 Scrap Metal Dealers Act 2013
 Anti-social Behaviour, Crime and Policing Act 2014

4.4 The Parks and Open Spaces Business manager has also requested that the Rangers within the Parks and Open Spaces Business Unit are authorised to investigate offences relating to the breach of a Public Space Protection Order including the service of Fixed Penalty Notices. It is proposed that in addition to the above mentioned posts the posts shown below are authorised under a limited number of Acts to investigate and issue FPN's.

4.5 It is proposed that the following staff in the following posts from the Parks and Amenities Business Unit be authorised and that any staff subsequently employed in these posts to exercise the provisions of the legislation shown below are also authorised.

Business Manager Parks and Amenities
 Grounds Maintenance Manager
 Grounds Maintenance Chargehand
 Countryside Ranger
 Sconce & Devon Park Ranger

4.6 The above-mentioned staff to be authorised to carry out all actions on behalf of Newark and Sherwood District Council as detailed under the following Acts according to their individual training and experience which will be assessed by the Business Manager with reference to guidance and industry best practice. Each officer will receive in writing the scope of their authorisation following the above assessment. All authority given to any Act below shall include any amendments to the Acts and any regulations issued in accordance with the provisions of the Act. Be authorised to investigate, enforce and issue Fixed Penalty Notices for offences under

The Anti-social Behaviour, Crime and Policing Act 2014
Clean Neighbourhoods & Environment Act 2005
The Environmental Protection Act 1990.

- 4.7 It is proposed that the following staff in the following posts from the Transport and Waste Business Unit be authorised and that any staff subsequently employed in these posts to exercise the provisions of the legislation shown below are also authorised.

Business Manager Transport and Waste
Assistant Manager Transport and Waste
Waste Management Inspectors

- 4.8 The above-mentioned staff to be authorised to carry out all actions on behalf of Newark and Sherwood District Council as detailed under the following Acts according to their individual training and experience which will be assessed by the Business Manager with reference to guidance and industry best practice. Each officer will receive in writing the scope of their authorisation following the above assessment. All authority given to any Act below shall include any amendments to the Acts and any regulations issued in accordance with the provisions of the Act. Be authorised to investigate, enforce and issue, where appropriate, Fixed Penalty Notices for offences under

Environment Act 1995
Control of Pollution Act 1989 (as amended)
Anti-social Behaviour, Crime and Policing Act 2014
Environmental Protection Act 1990
Town & Country Planning Act 1990
Refuse Disposal (Amenity) Act 1978
Control of Pollution Act 1974
Antisocial Behaviour Act 2003
Clean Neighbourhoods & Environment Act 2005
Controlled Waste Regulations

- 4.9 It is further proposed that all the Officers authorised above be indemnified against the whole of any damage and costs for expenses that may be involved, if the authority is satisfied that the Officers' actions were reasonable for a professional person in that field of work and that the officer believed that the act complained of was within his or her power and their duty as an officer required or entitled them to do it and provided the officer was not wilfully acting against instructions

5.0 Equalities Implications

- 5.1 All enforcement is taken with reference to the Council's Corporate Enforcement Policy.

6.0 Financial Comments

- 6.1 No financial implications relating to this report

7.0 RECOMMENDATIONS that:

- (a) the Officers listed in Paragraph 4.2, 4.5 and 4.7 are authorised to act on behalf of the council under the legislation and subsequent revisions to that legislation, listed in paragraph 4.3, 4.6 and 4.8; and**
- (b) authorised Officers are indemnified as set out in paragraph 4.9**

Reason for recommendation

To ensure that all investigative and enforcement powers are undertaken by duly authorised Officers of the council and that reasonable actions are indemnified by the Council.

Background papers

Nil

For further information please contact Alan Batty Business Manager – Environmental Health and Licensing Business on 655467.

Karen White
Director – Safety

LEISURE AND ENVIRONMENT COMMITTEE

22 JANUARY 2019

HAWTONVILLE COMMUNITY CENTRE MANAGEMENT PROGRESS REPORT

1.0 Purpose of Report

- 1.1 To provide Members with an update report in respect of Hawtonville Community Centre and the progress being made following the transfer of the management of the centre to Reach Learning Disability (RLD), a local charity supporting vulnerable adults in Newark and Sherwood, through the granting of a 3 year tenancy agreement.
- 1.2 To seek Member approval for RLD to utilise the first floor rooms at the centre and the current tenancy agreement be amended to reflect this proposal.

2.0 Background Information

2.1 Leisure and Environment Committee agreed at its meeting on 15 February 2018 that:-

- The principle of RLD being granted a short term tenancy/agreement for the centre, not exceeding three years, on the condition that community use as outlined in the report is protected;
- That the Director – Safety be given delegated authority in consultation with the Leisure & Environment Committee Chairman, Vice-Chairman and opposition spokesperson to progress negotiations with RLD and agree the terms of the tenancy or other agreement for its occupation of the centre, including rental levels etc. and
- Officers work with RLD to develop a detailed business case and operating proposal for the centre to demonstrate greater utilisation of the community resource which can then be presented to Members at a future meeting for further consideration, including how this might impact upon the overall management of the centre by Newark and Sherwood Homes.

2.2 Furthermore at its meeting of 26 June 2018 Leisure and Environment considered an interim progress report and agreed the following recommendation:-

- That Leisure and Environment Committee receive an update report at 6 monthly intervals on the activities and services delivered to the community through the Hawtonville Community Centre in respect of its contribution to the delivery of the priorities and objectives of the Hawtonville Neighbourhood Study.

2.3 Accordingly this report provides a progress update in respect of the first 6 months of Reach's occupation of Hawtonville Community Centre.

2.4 In addition members are asked to consider a proposal to allow RLD to utilise the first floor rooms at the centre and that the current tenancy agreement be amended to reflect this proposal.

3.0 The Current Overview

- 3.1 The move to the Hawtonville Community Centre has been a huge success and the service users see the centre as their home. Transition work was undertaken with the service users which enabled the move to be as smooth as possible and included using public transport and safe routes to the centre to improve access for service users. Evaluations completed recently indicate that the individuals feel safe and supported.
- 3.2 The ground floor of the centre is now occupied by RLD Monday to Friday typically from 8.00am to 5.00pm and community access is available from 5.00pm to 10.00pm in the three communal areas during evenings and at weekends. There are two further community rooms at first floor level but use of these has been very limited to date and therefore it is proposed that these be made available to RLD as detailed in Section 4 below.
- 3.3 Currently community use of the centre remains positive with a number of community groups continuing to use the centre, including the Dance School (4 evenings each week and Saturday), Yoga and HYPE Youth Club. A new group has started to book the centre on a monthly basis and children's parties are proving popular with the local community and this type of hire is likely to grow in the future with bookings already secured for 2019. Reach has also recruited a local resident to the position of centre caretaker to open the centre for community groups and to maintain it in good order for the benefit of all users and this arrangement is working well.
- 3.4 RLD has promoted a number of events which the local community has been invited to and engaged with including the inaugural 'open day', a 'summer sports day' for service users, a 'Christmas Carol' concert, Diabetes screening, a fundraising event for a local resident of the estate and a community litter pick by the Women's Group linked to the Council's Cleaner, Safer Greener initiative. Furthermore RLD has use of the centre as the operational base for the Hawtonville 'Day of Action' in March.
- 3.5 There have been a number of issues in respect of HYPE's use of the centre where incidents have caused some nuisance and disruption to the operation of the centre. Incidents are recorded and dealt with by the Leader of HYPE and RLD and Council officers will continue to work collaboratively with HYPE to address these concerns to limit the adverse impacts on all parties.
- 3.6 In addition the building and some community users of the centre have experienced some low level anti-social behaviour from young people despite the presence of CCTV outside the centre. As a consequence the Council has initiated a multi-agency response through the Council's Community Safety Team and the Safer Neighbourhood Group to deal with the issues. This will include improved CCTV coverage of the centre specifically and more visible patrols from the neighbourhood police team with support from the Council's wardens, ASB Officer and Newark and Sherwood Homes Neighbourhood Team.
- 3.7 Notwithstanding the above, overall the project to date has been a success and the community has welcomed RLD. There have been no specific episodes of hate crime/bullying/harassment towards the individuals that use the service indeed Reach has gained some new service users from the Hawtonville estate.

3.8 Furthermore through partnership working with RLD and other community groups and organisations it is anticipated that the project will continue to thrive and become an integral part of the community where the centre will remain a local hub for engagement and demonstrate the centre's value as a well utilised community resource.

4.0 Use of First Floor Space

4.1 The current arrangements in place through the tenancy agreement between RLD and the Council is that in addition to areas of the ground floor the first floor space at the centre comprising of two small rooms is retained for community use and this is the current operating model.

4.2 However, there has been little interest in the use of the upstairs spaces by the community since RLD relocated. One of the reasons why they are not particularly attractive is that they do not have any designated welfare facilities such as running water and toilets as these are located on the ground floor and behind a safeguarding door given the vulnerabilities of the service users who attend the centre during the day.

4.3 However, Reach Care, an operating arm of the overall charity, which administers and manages service user's personal budgets, would be willing to relocate to the centre as the space would be perfect for its requirements. If this were to be agreed there would be various benefits including:-

- Better utilisation of space which is currently greatly under used,
- Improvements to the upstairs space funded by RLD such as new windows and improved ventilation,
- An occupier that is part of the RLD charity so no issues of accessing welfare facilities or safeguarding concerns as all staff are suitably cleared through the Disclosure and Barring Service,
- Improved operational connectivity through co-location of RLD and Reach Care,
- Co-location will improve the overall sustainability of RLD and enable it to support service users who are vulnerable and,
- RLD will be better placed to continue to support community access to and use of the community areas during evenings and weekends.

5.0 Proposal

5.1 That Leisure and Environment Committee note the content of the progress report detailing activities and services delivered to the community to date and give consideration to the proposal to offer RLD use of the first floor space for use by Reach Care to run conterminously with the current three year tenancy agreement.

6.0 Equalities Implications

6.1 This is primarily a progress report for update and information purposes only and has no anticipated equalities impact in respect of the various protected characteristic groups. RLD is an organisation that delivers services to disabled adults. It also offers community access

during evenings and at weekends to the wider community and it is not anticipated that the extension of the tenancy agreement will have any adverse impact in this regard.

7.0 Impact on Budget/Policy Framework

- 7.1 Day to day operational costs including NNDR, utilities, administration and cleaning staff, minor repairs and statutory health and safety management costs are now the responsibility of RLD and this is offset by it retaining income from user groups subject to an agreed equitable share of any surplus income over expenditure as recommended by Members and as defined within the lease agreement.
- 7.2 Major repairs and renewals associated with the centre remain with the District Council as landlord and such costs will be managed appropriately and contained within the existing budget provision for the Council's neighbourhood centres.

8.0 Comments of Business Manager – Financial Services (FIN18-19/1791)

- 8.1 The agreement passports all day to day running costs of the Centre on to RLD, but also allows them to generate the income made by the centre. The impact of this on the budget is zero in terms of the forfeited income against the reduced expenditure. The Council retains liability for the major repairs and renewals for which it currently has budget provision for 2018/19.
- 8.2 There is, within the agreement, a clause relating to a split of the profits made within the facility. Any income from community use made in excess of all expenditure incurred in running the facility will be split equally between the Council and RLD.

9.0 RECOMMENDATION that:

- a) **the Committee note the content of the progress report detailing activities and services delivered to the community to date; and**
- b) **approve the proposal to offer RLD the upstairs space for use by Reach Care to run conterminously with the current three year tenancy agreement.**

Reason for Recommendations

To monitor and review the operational management and sustainability of the Hawtonville Community Centre by RLD.

Background Papers

Nil

For further information please contact Andy Hardy, Community Projects Manager, on 01636 655708.

Karen White
Director – Safety

Forward Plan of the Leisure & Environment Committee Decisions from 1 January 2019 to 31 December 2019

This document records some of the items that will be submitted to the Leisure & Environment Committee over the course of the next twelve months.

These committee meetings are open to the press and public.

Agenda papers for the Leisure & Environment Committee meetings are published on the Council's website 5 days before the meeting <http://www.newark-sherwooddc.gov.uk/agendas/>. Any items marked confidential or exempt will not be available for public inspection.

Meeting Date	Subject for Decision and Brief Description	Contact Officer Details
22 January 2019	Commercials Project – Business Case- Garden Waste	matthew.finch@newark-sherwooddc.gov.uk deborah.johnson@newark-sherwooddc.gov.uk
22 January 2019	Newark and Sherwood Clinical Commissioning Group Presentation	leanne.monger@newark-sherwooddc.gov
22 January 2019	Hawtonville Community Centre Management Progress Report	andy.hardy@newark-sherwooddc.gov
22 January 2019	Budget Report – Fees and Charges	nick.wilson@newark-sherwood.dc.gov.uk
22 January 2019	Active4Today – Final Business Plan	andy.carolan@newark-sherwooddc.gov
19 March 2019	N&S Health and Wellbeing Delivery Plan	leanne.monger@newark-sherwooddc.gov.uk
19 March 2019	YMCA Sports Village – Progress Report	andy.hardy@newark-sherwooddc.gov leanne.monger@newark-sherwooddc.gov
19 March 2019	Sherwood Forest Hospital NHS Foundation Trust Presentation	leanne.monger@newark-sherwooddc.gov
19 March 2019	Recycling – Options to Increase the Recycling Rate in Newark & Sherwood	andrew.kirk@newark-sherwooddc.gov matt.adey@newark-sherwooddc.gov
15 June 2019	Mental Health – Charity MIND and/or Other Charities and Voluntary Groups	leanne.monger@newark-sherwooddc.gov
15 June 2019	Sports and Recreation Facilities Plan 2014 – 2021	leanne.monger@newark-sherwooddc.gov.uk / andy.hardy@newark-sherwooddc.gov.uk

25 June 2019	Better Care Fund	leanne.monger@newark-sherwooddc.gov.uk / alan.batty@newark-sherwood.dc.gov.uk
25 June 2019	Update on the neighbourhood wardens – short presentation to Committee regarding their role and powers	matthew.finch@newark-sherwooddc.gov alan.batty@newark-sherwood.dc.gov.uk
25 June 2019	Update on Active4Today 2018-19 Outturn	andy.hardy@newark-sherwooddc.gov leanne.monger@newark-sherwooddc.gov
25 June 2019	Hawtonville Community Centre Management 6 Monthly Progress Report	andy.hardy@newark-sherwooddc.gov

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted