



**Castle House
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Newark
NG24 1BY**

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14 September 2020

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

Members of the Committee:

**Councillor L Brailsford
Councillor S Carlton
Councillor M Cope
Councillor D Cumberlidge
Councillor Mrs G Dawn
Councillor P Harris
Councillor Mrs L Hurst
Councillor B Laughton
Councillor J Lee
Councillor Mrs Y Woodhead**

MEETING: Leisure & Environment Committee

DATE: Tuesday, 22 September 2020 at 6.00 pm

**VENUE: Broadcast from the Civic Suite, Castle House,
Great North Road, Newark, Notts, NG24 1BY**

You are hereby requested to attend the above Meeting for the purpose of transacting the business on the Agenda as overleaf.

Attendance at this meeting and public access will be by remote means due to the Covid-19 Pandemic. Further details to enable remote access will be forwarded to all parties prior to commencement of the meeting. If you have any queries please contact Catharine Saxton on
Catharine.saxton@newark-sherwooddc.gov.uk

AGENDA

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Remote Meeting Details

This meeting will be held in a remote manner in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

The meeting will be live streamed on the Council's social media platforms to enable access for the Press and Public.

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- (i) Payment of Management Fees to Active4Today
- (ii) Newark Cattle Market
- (ii) Reinstatement of Garden Recycling Services
- (iv) Car Parking Charges Review – Covid-19
- (v) Parish & Town Council Initiative Funs and Community, Sports & Arts Grants Scheme

17. Leisure & Environment Committee Forward Plan 158 - 159

Confidential and Exempt Items

18. 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 items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

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, 21 January 2020 at 6.00 pm.

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

Councillor L Brailsford, Councillor S Carlton, Councillor D Cumberlidge,
Councillor P Harris, Councillor Mrs L Hurst, Councillor B Laughton,
Councillor J Lee and Councillor Mrs Y Woodhead

ALSO IN ATTENDANCE: Councillor L Goff and Councillor Mrs P Rainbow

APOLOGIES FOR ABSENCE: Councillor M Cope (Committee Member) and Councillor Mrs G Dawn (Committee Member)

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

Councillors S Carlton declared a personal interest in Agenda Items 6 – Active4Today Final Business Plan and Performance, as he was a Board Member for Active4Today.

44 DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting and live screening on social media was being broadcast.

45 MINUTES OF THE MEETING HELD ON 19 NOVEMBER 2019

AGREED that the Minutes of the meeting held on 19 November 2019, be approved as a correct record and signed by the Chairman.

46 LEISURE & ENVIRONMENT COMMITTEE REVENUE BUDGET 2020/21

The Committee considered the report presented by the Business Manager-Financial Services, which sought feedback from the Leisure & Environment Committee on the proposed general fund revenue budget for the 2020/21 financial year 1 April 2020 – 31 March 2021, for those services which fell under its remit. It also sought feedback on the scale of proposed fees & charges for 2020/21 or those services which fell under its remit. Approval was also sought for the 2020/21 base budget as detailed in Appendix A to the report, which would be recommended to the Policy & Finance Committee at its meeting on 20 February 2020 for inclusion in the overall council budget; and to seek approval for the 2020/21 fees & charges as detailed in Appendix D to the report, which was also recommended to Policy & Finance Committee at its meeting on 20 February 2020 and Council at its meeting on 9 March 2020.

Members asked the following questions:

The Business Manager-Financial Services confirmed that there had been a restructure in the waste team and a new post entitled Community Liaison Officer in the Community Relations Team. A written answer would be circulated to Members of the Committee.

Appendix B – Budget Summary by Committee- Subjective, sets the charges. How often the services levied, as are contained in Appendix D – Proposed 2020/21 Fees & Charges – Leisure and Environment Committee and how frequently are other services levied?

The Business Manager Financial Services confirmed that market conditions were taken into account when the fees and charges were compiled. Officers make assumptions as to what the budgets will be, the actual figures would occur during the financial year. Information regarding this would be reported back to a future meeting of the Committee.

The naming and numbering fee at £30 per plot appeared high?

The Business Manager-Financial Services confirmed that the fee did not just reflect the hourly rate of the Officer, it also included the reclaim of associated overheads relating to the service. The Economic Development Committee at their November meeting reviewed the policy for Fees and Charges. The Chairman asked for an update regarding how the fees and charges are compiled and historic charges.

A Member sought clarification regarding stray dog prices. Prices charged for stray dog collection were very low, £75 initial charge and £8 per day kennel fee. The Member commented that this charge was cheaper than kennel fees and questioned why the fees were so low.

The Business Manager-Financial Services confirmed that a written response would be provided to Members of the Committee.

AGREED (unanimously) that:

- (a) Written responses be circulated to Members of the Committee regarding the following questions raised:
 - i. Staff costs had increased by £143,000 where have the extra costs come from?
 - ii. Appendix B – Budget Summary by Committee- Subjective, sets the charges. How often are the services levied, as are contained in Appendix D – Proposed 2020/21 Fees & Charges – Leisure and Environment Committee and how frequently are other services levied? An update report to a future meeting of the Committee.
 - iii. The Chairman asked for an update regarding how the fees and charges are compiled and historic charges.
 - iv. A Member sought clarification regarding stray dog prices. Prices charged for stray dog collection were very low, £75 initial charge and £8 per day kennel fee. The Member commented that this charge was cheaper than kennel fees and questioned why the fees were so low.

(b) the following recommendations be made to Policy & Finance Committee at its meeting on 20 February 2020:

- i. the 2020/21 base budget in Appendix A for inclusion in the overall Council budget; and
- ii. to Council on 9 March 2020 the 2020/21 fees & charges in Appendix D.

47 ACTIVE4TODAY FINAL BUSINESS PLAN AND PERFORMANCE

The Committee considered the report presented by the Health Improvement and Community Relations Manager which presented the Active4Today Business Plan 2020/21 and the latest performance report to the end of November 2019 for approval. The Managing Director Active4Today was also in attendance and answered Members questions.

The report detailed the overview of performance; financial overview; the Business Plan 2020/21 which was appended to the report; and Southwell Leisure Centre Trust.

A Member commented that whilst the Newark Sports and Fitness Centre offered great facilities he was disappointed that children's fees would be increased. It was felt small increases would be a challenge to some families and would like to see all prices for children under £5 to keep fees manageable. The Managing Director Active4Today confirmed that it was a balancing act trying to encourage people to use facilities which were value for money, whilst covering costs. Pay and play sessions did encourage people onto memberships and this was a first increase for children's fees since 2015.

A Member commented on the decline in Sports Development in deprived areas and asked how that was being addressed. The Managing Director Active4Today confirmed that there was two reasons for the decline in numbers. The first was the reduction of staff over the last four months, programmes had been reduced due to staff shortages. The second reason was that the Sports Development Team do not generally deliver sessions they facilitate them through the voluntary and community sports club network, and they don't record participant numbers when the clubs assume responsibility as the sessions no longer belong to Active4Today.

A Member sought clarification regarding the Capital Charges and where those Capital Charges were located as they were not in the business plan. The Business Manager Financial Services confirmed that the Capital Charges were shown in the budget presented to the Policy & Finance Committee. The Member asked for the Capital Charges for the Leisure Centre up to the end of the year. The Business Manager Financial Services confirmed that information would be circulated to Members of the Committee.

A Member commented that there was no information in the Business Plan regarding the income raised through vending machines in situ in the leisure centres. The Managing Director Active4Today confirmed that Active4Today did not take commission from the vending machines, they were there for the convenience of the customer. The Member commented that if the vending machines were infrequently

used they should not be there as it was promoting unhealthy food. The Chairman confirmed that this could be assessed in the future.

AGREED (unanimously) that:

- (a) the Active4Today Business Plan 2020/21 be approved;
- (b) performance to Period 8 (November) be noted;
- (c) Active4Today presents its 2019/20 draft accounts by early April 2020 in order that the Director – Communities and Environment, with delegated approval, can agree what level of contribution is made to the Company, if any, for 19/20 based on the outturn position;
- (d) the full year financial position be reported to the June Committee; and
- (e) the Capital Charges for the Leisure Centre up to the end of the year be circulated to Members of the Committee.

48 GARDEN WASTE UPDATE

The Committee considered the report presented by the Business Manager Transport & Waste Services which provided a progress update for bringing the Garden Waste service back to Newark and Sherwood District Council from properties currently served by Rushcliffe Borough Council and Mansfield District Council.

The report provided an update on bringing the garden waste service 'in-house', the financials provided within the Business Case, the service pricing and the expansion of the service.

The Business Manager Transport & Waste Services informed Committee that the expected numbers from the business case for brown bins was to date 8,262 a decrease of 36 bins from when the report had been written. If the Council were to hold the current price of £35 per bin then the net income would be reduced by £10,500 from the figures quoted in the original business case.

A Member requested that some residents in the district had large gardens and required two brown bins and asked the Council to consider a reduction in the cost for a second bin, this would also encourage the recycling of green waste. The Business Manager Transport & Waste Services confirmed that a study was being undertaken regarding the green waste service, part of which would be a viability study into the use of Garden Sacks for smaller properties. The reduction for additional bins would be reviewed as some residents in the district had multiple bins.

A Member commented that some residents in the district had unused brown bins sat in their gardens as they had stopped paying for the service and asked when those bins would be collected. The Business Manager Transport & Waste Services confirmed that those residents would be contacted to try and persuade them to renew the

service as there was a high cost for collection. A project however would be put together to establish where the unused bins were located and a group collection would be undertaken.

A Member sought clarification regarding the recycling of sweet tubs and plastic takeaway tubs and which bin they should be disposed in. It was confirmed that a group meeting had taken place regarding plastic packaging. It had been confirmed that the polymer contained within a confectionary plastic tub was the same as a margarine tub, Veolia had confirmed that it was the size of the tub that affected recycling. Work was being undertaken to try and resolve this matter.

A Member commented that one hundred Christmas trees had been dumped in the district and asked how the Council could encourage residents to recycle their Christmas trees. The Business Manager Transport & Waste Services confirmed that there was a recycling programme in place. Officers considered that it was likely that the dumped trees were from a company that had overstocked and subsequently dumped them rather than ones collected from domestic properties. The Council offered a recycling scheme every year for the collection of Christmas trees, 272 residents used the scheme in 2018 and 353 to date in 2019 to recycle their trees.

AGREED (unanimously) that:

- (a) Members note the updates within the report;
- (b) Recommendation to the Policy & Finance Committee, the removal of the £280,590 no longer required for the RCV's from the capital programme in order to reallocate the capital receipts to other projects; and
- (c) Members endorse amendment of the Garden Waste Service charge from £37 to £35 for 2020/21 and recommend to the Policy and Finance Committee.

49 HAWTONVILLE COMMUNITY CENTRE UPDATE REPORT

The Committee considered the report presented by the Health Improvement and Community Relations Manager which provided 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 & Sherwood, through the granting of a 3 year tenancy agreement.

The Manager of Reach Newark and the Café Project Balderton Playing Fields attended the meeting and answered Members questions. The Annual Report and Accounts for Reach were tabled at the meeting.

Members congratulated Reach on their achievements to date and wished them success for future projects. The Eaton Avenue allotment project was referred to and the need to progress that project and extend the lease for Reach. The Health Improvement and Community Relations Manager confirmed that the Council were

looking to work with Newark Town Council regarding extending the lease for Eaton Avenue allotments and also to add value to the project by encouraging grant making bodies to enter into partnerships with Reach.

A Member commented that the Hawtonville Community Centre would benefit from having a defibrillator which could also be available to the public when the centre was closed. The Health Improvement and Community Relations Manager confirmed that work was being undertaken to try and obtain a defibrillator for the centre and community.

AGREED (unanimously) that the report be noted.

50 UPDATE ON THE IMPLEMENTATION OF THE GRAFFITI POLICY

The Committee considered the report presented by the Business Manager – Public Protection which updated Members on the progress on the implementation of the Graffiti Policy for Newark and Sherwood which was adopted in June 2019 by the Council.

The Graffiti Policy introduced a new timeframe for dealing with new items of Graffiti, with differing response times for different categories of Graffiti. It was proposed to implement the time scales once all the existing graffiti across the district had been removed.

The report detailed that where new items of graffiti were identified officers from the Council were liaising closely with the Police to carry out joint investigations. A large piece of graffiti had recently appeared in Newark and had produced a number of promising leads as to the identity of the perpetrator. The Council was working in partnership with other organisations on diversionary art projects and workshops, particularly in relation to murals and public art which would make a positive contribution to the area. A day of action had taken place in Ollerton where young people produced a new back drop to the Ollerton Skate Park by working with local artist.

AGREED that the update to the implementation of the Graffiti Policy be noted.

51 LEISURE & ENVIRONMENT COMMITTEE FORWARD PLAN (1 JANUARY 2020 TO 17 MARCH 2020)

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. The following was suggested:

- Invite the Clinical Commissioning Group (CCG) to the 23 June 2020 meeting of the Committee
- Active4Today – Report regarding the Governance agreement

AGREED that the Forward Plan be noted.

The Vice – Chairman Councillor N Mison provided a verbal update regarding the Health and Wellbeing Board he had attended last week. The meeting had covered smoking cessation which had a cost of £178 million to Nottingham County per year, which included health costs, social care costs and lost hours worked. The Healthy Options Takeaway Scheme was also covered, only 250 establishments had taken part in the scheme. The scheme asked food outlets to demonstrate that they had healthy options on their menus. The scheme had been re-launched to try and get more participants.

The Committee was informed that a merge of the Clinical Commissioning Group (CCG) in Nottinghamshire had taken place. Newark and Sherwood and Mansfield had merged into a Greater Nottinghamshire CCG.

The Vice Chairman commented that he had a meeting with the Health Partnership, week commencing 27 January 2020 and would report back to the next meeting of the Committee.

A Member asked for an update regarding the Primary Care Trust and required information regarding which surgeries would be working in partnership and what would be available for residents.

The Vice-Chairman confirmed that the shared services allowed out of hours appointments which may not be available at the local surgery but at the shared surgery. Members commented that out of hour's appointments were a big issue for people which needed to be pursued rather than having to attend Accident & Emergency (A&E).

AGREED that the verbal update be noted.

Meeting closed at 7.25 pm.

Chairman

LEISURE AND ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

LETTER OF COMFORT BETWEEN NSDC AND SOUTHWELL LEISURE CENTRE TRUST

1.0 Purpose of Report

- 1.1 To gain approval from Members to enter into a letter of comfort between the District Council and Southwell Leisure Centre (known as Southwell Leisure Centre Trust) in order to underwrite any potential cash flow losses the Trust make as a result of COVID-19.

2.0 Background Information

- 2.1 During April 2020, Southwell Leisure Centre Trust approached the Council to enter into an agreement for financial assistance to ensure the sustainability of leisure provision within the Southwell locale as the result of the lack of trading due to the lockdown from COVID-19.
- 2.2 Their request was for the Council to enter into a letter of comfort with the Trust in order so that the Council underwrites any liabilities the Trust accumulate up to a total amount of £220,000. This would be subject to the Trust utilising all of its reserves in the first instance.

3.0 Proposals

- 3.1 The Council's legal team has worked with Freeths (being the legal advisors to SLCT) in order to draft a letter of comfort between the two organisations that safeguards the Council's position whilst offering support to the Trust.
- 3.2 The main provisions within the agreement state that:
- The Council ensures that SLCT will have financial resources available of £220,000, once the Trust has utilised all of its reserves. The support available will be capped at a maximum of £220,000,
 - Any support transferred to SLCT must be repaid within 24 months of the payment date,
 - Any support transferred to SLCT will not incur any interest expenses for SLCT,
 - Any support considered to be transferred must be evidenced satisfactorily in that the debt to SLCT exists and that SLCT do not have other funds available to pay such debts.
- 3.3 The term of this letter of comfort will be reviewed on a quarterly basis, and the Council reserve the right to terminate this having considered the representations made by SLCT at each quarter end.
- 3.4 The impact of the agreement is such that the Trust would need to utilise all of its funding prior to approaching the Council for assistance. The Council would then review the information presented regarding the debts of the Trust and transfer funds accordingly where appropriate. This would be to a maximum of £220,000 which is the total exposure for the Council.

- 3.5 The latest accounts for the Trust (31st March 2019) show that the Trust had £551,477 within its unrestricted funds in order to service its liabilities. The 31st March 2020 accounts have not been produced at the time of writing this report, but it is anticipated that the position at that point in time would be similar. Hence the Trust would need to exhaust all of these funds prior to the Council's responsibility through this agreement to intervene.
- 3.6 Based on estimated forecasts produced by the Trust in April 2020, their forecast of reserve balances as at 31st March 2021 is £204,092 prior to any transfer from the Council. If this position would to occur, the Council would therefore not need to transfer funds at this point. This position was produced at the beginning of the lockdown in April and hence will be revised during September 2020 in order to account for the latest position now that the centre has opened for business.
- 3.7 As the letter is intended to be legally binding, where a default on the loaned amount occurs the Council could take action in order to enforce the sum due through legal channels available to it.
- 3.8 The Council is aware that the Trust has created a CIO (Charitable Incorporated Organisation) which seeks to limit the personal liabilities of the trustees. As a result, the agreement has been drafted such that the Trust must demonstrate that where shortfalls of cash to service debts that become due, this has not occurred due to the transfer of cash into the CIO.
- 3.9 Where the Council advances the Trust an amount of funds, and the assets and liabilities of the Trust are then transferred into the CIO, the letter has been drafted such that the liability due to the Council would be transferred also into the CIO replicating the arrangements as in the Trust. Hence the liability would then refer to the CIO.
- 3.10 At the point in time that assets and liabilities are transferred into the CIO, the letter of comfort would become null and void, subject to any outstanding amounts due based on paragraph 3.9. Should the CIO seek to negotiate in order to enter into a similar arrangement with the Council as per this letter of comfort, a further report will be brought to this Committee.
- 3.11 The letter of comfort as drafted is attached at **Appendix A.**

4.0 Equalities Implications

- 4.1 There are no equalities implications associated with this report.

5.0 Financial Implications (FIN20-21/9372)

- 5.1 Should SLCT need to service liabilities that would diminish their reserves to a point where they would not have cash to hand, the Council will loan SLCT the funds required up to a maximum of £220,000. The request would be scrutinised by officers to ensure that satisfactory evidence of the debt exists and funds are not in place to service the debt.
- 5.2 The total commitment from the Council would be capped at £220,000, although this would be in the form of a loan to SLCT as any funds advanced to SLCT would need to be returned within 24 months of the date of advance.

- 5.3 It is proposed that the loaned value would not attract interest for the period between the date of advance and the date of receipt.
- 5.4 Should the advanced value not be returned by the respective date, as per paragraph 3.7, the Council could look to enforce the sum through legal proceedings should it choose to do so.

6.0 Community Plan – Alignment to Objectives

- 6.1 Objective 9 of the Community Plan is to 'Improve the health and wellbeing of local residents, with particular focus on narrowing the gap in healthy life expectancy and other health outcomes'.
- 6.2 As the Council is acting as guarantor for the Trust up to a maximum of £220,000, this ensures that the provision of leisure facilities within the Southwell locale is maintained.

7.0 RECOMMENDATION

Members are asked to recommend to Policy and Finance Committee, for their approval, the request by SLCT for the Council to enter into a letter of comfort with it in order to safeguard its sustainability.

Reason for Recommendation

To ensure the sustainability of Southwell Leisure Centre Trust in order for the continuation of leisure provision within the Southwell locale.

Background Papers

Nil

For further information please contact Nick Wilson 5317.

Matthew Finch
Director - Environment and Communities

The Trustees
Southwell Leisure Centre Trust
Southwell Leisure Centre
Nottingham Road
Southwell
NG25 0LG

2020

Dear Sirs,

LETTER OF COMFORT AND GUARANTEE: EMERGENCY STRATEGIC RESERVE OF £220,000

This letter sets out the terms on which Newark and Sherwood District Council ("**NSDC**") agrees to guarantee (the "**Guarantee**") the sum of £220,000 (the "**Sum**") to Southwell Leisure Centre (Charity Number: 522301) ("**SLCT**").

1. The term of the Guarantee provided pursuant to this letter (the "**Term**") shall commence on the date of this letter, and shall continue until terminated by the parties in accordance with paragraph 2 of this letter.
2. The Term shall be subject to review on a quarterly basis (each a "**Review**"), with the first Review occurring no earlier than 1 July 2020 and each subsequent Review happening no earlier than three months following the date of the preceding Review. NSDC will notify SLCT of each Review and as part of each such Review will enter into discussions with SLCT as to its trading position and consider all representations which are made by SLCT ("**Representations**") within fourteen days of such notification. NSDC may on the expiry of those fourteen days and acting reasonably having considered the Representations, serve notice on SLCT of termination of the Guarantee forthwith. Furthermore the Guarantee will terminate forthwith on the date of the transfer of any money land interest in land or any other thing of worth by SLCT to the Charitable Incorporated Organisation known as Southwell Leisure Centre (Charity no. 1189114) (the "**CIO**"). Upon such termination NSDC and the CIO shall use reasonable endeavours to negotiate a new guarantee in favour of the CIO in a form acceptable to NSDC and the CIO. For the avoidance of doubt any arrangement between the parties as to repayment of monies advanced by NSDC under the Guarantee shall, unless otherwise agreed in writing, continue in force notwithstanding such termination.
3. The Guarantee shall only be called upon by SLCT in the event that SLCT has:
 - 3.1. produced to NSDC satisfactory evidence of debts due from SLCT;
 - 3.2. provided reasonably satisfactory evidence that no other funds are available to SLCT to pay such debts; and

- 3.3. provided reasonably satisfactory evidence that the lack of funds has not been caused by a transfer to the Charitable Incorporated Organisation known as Southwell Leisure Centre (Charity no. 1189114)
4. Within seven days of each Quarter's End (being 30th June, 30th September, 31st December and 31st March in any year) where such conditions have been satisfied NSDC will pay to SLCT the amount of such debt or debts PROVIDED THAT the cumulative total of monies paid by NSDC under the Guarantee shall not exceed the Sum.
5. NSDC recognises SLCT's essential contribution towards its strategy for Health and Welfare in the District and therefore NSDC shall:
 - 5.1. ensure that SLCT will have financial resources at least equal to the Sum (the "**Guarantee**");
 - 5.2. provide SLCT with weekly cash balances updates for SLCT and any other information reasonably requested by SLCT for the purposes of enabling SLCT to undertake financial forecasting; and
 - 5.3. provide all such assistance and cooperation as reasonably requested by SLCT for the purposes of ensuring that SLCT is able to continue to operate in accordance with its charitable objectives and is able to remain solvent (this shall include any support reasonably required by SLCT, whether financial or otherwise, in connection with restoration and repairs to the Leisure Centre operated by SLCT).
6. In consideration of receipt of the Guarantee, and the matters set out in paragraphs 5.2 and 5.3 of this letter SLCT shall:
 - 6.1. continue to follow all relevant NSDC personnel policies;
 - 6.2. where in the view of its trustees (acting reasonably) applying for available government financial assistance would be beneficial to SLCT and in accordance with SLCT's charitable objects and their trustee duties, apply for such funding; and
 - 6.3. provide all such assistance as reasonably requested by NSDC for the purposes of enabling NSDC to comply with the obligations set out in paragraphs 5.2 and 5.3 of this letter.
 - 6.4. Repay to NSDC in full all monies paid to it by NSDC pursuant to this letter on the expiry of 24 months of such payment. NSDC shall not charge interest on such monies and will discuss SLCT's ability to repay at Reviews but it is accepted by SLCT that if NSDC shall in its absolute discretion so demand SLCT shall repay all such monies on the expiry of 24 months from the date of payment
7. This letter is intended to create legal relations between NSDC and SLCT.

8. This letter and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and is subject to the exclusive jurisdiction of the English Courts.
9. The CIO joins in this letter to agree that if:
 - 9.1 this Guarantee shall terminate pursuant to paragraph 2 above by reason of a transfer to the CIO; and
 - 9.2 SLCT shall fail to pay all monies advanced before termination which are due pursuant to paragraph 6.4 above on the expiry of 24 months from payment then the CIO shall forthwith on such expiry repay to NSDC all monies due from SLCT pursuant to paragraph 6.4 above
10. SLCT agrees not to transfer or dispose of any money land interest in land or any other thing of worth ("Assets") to any person body charity or company other than the CIO.
11. As regards any of SLCTs Assets which are transferred to it the CIO will not without NSDC's written consent (such consent not to be unreasonably withheld or delayed) transfer or dispose of any such Assets to any person body charity or company other than SLCT or NSDC

Yours faithfully,

.....

, for and on behalf of **Newark and Sherwood District Council**

We acknowledge and confirm our agreement to the terms of this letter of which this is a copy.

Signed

For and on behalf of **Southwell Leisure Centre** (Charity Number: 522301)

Date

For and on behalf of **Southwell Leisure Centre** (Charity no. 1189114)

Date

LEISURE AND ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

ACTIVE4TODAY – COVID-19 UPDATE COVER REPORT

1.0 Purpose of Report

- 1.1 This report is to update the Committee on the current position of Active4Today in relation to the impacts of Covid-19 actual and anticipated for the current year to 31st August 2020.

2.0 Background Information

- 2.1 Active4Today is the Council's wholly owned leisure company, which was created to provide leisure and sports development services on the Council's behalf. The Company has now completed its fifth year of trading and is obliged to report its annual performance to the Leisure and Environment Committee, which is responsible for setting the strategic direction of the Company.
- 2.2 Under normal circumstances Leisure and Environment Committee receives quarterly reports updating member on actual performance against target. However, the impact of Covid -19 and the subsequent closure of Active4Today's three leisure centres, Southwell Leisure Centre and the cessation of its sports development function on the 17 March 2020 has had a significant impact on the Company in respect of its service offer to customers and its trading activity.
- 2.3 The impact of Covid-19 on the Company is highlighted in the report, appendix A, which outlines the operational and financial impact on the company and sets out proposals that members are asked to consider.

3.0 Proposals

- 3.1 Based on the information set out in the Appendix A, it is proposed that the Company use £0.200m of its reserves to support the estimated shortfall, which is currently being forecasted at £0.690m.
- 3.2 It is proposed that the Company request that the Council make provision within its finances to support the current estimated remaining deficit (currently estimated at £0.490m), which based on the forecasted financial modelling, would leave the Company in a balanced position.
- 3.3 It is proposed that the Company provide monthly updates to the Council's Senior Leadership Team, in order they are fully appraised of the financial position of the Company and the level of deficit funding support required. The full amount of £0.490m will not be drawn down immediately and will be released based on need and as agreed at the monthly review meetings.

4.0 Equalities Implications

4.1 There are no new equalities implications arising from this report.

5.0 Financial Implications (FIN20-21/2405)

5.1 There are significant budget implications within this report, which are highlighted in the body of the report (Appendix A). This will be reported regularly to the Senior Leadership Team of the Council, in order that it is fully appraised of the most recent financial position of the Company.

5.2 In summary, the Company faces a forecast deficit for the 2020-2021 financial year of £0.690m, which it proposes to meet by using £0.200m of its reserves and by further support from the council to bridge the remaining £0.490m shortfall. Without this support, from the Council the provision of leisure centre services by the Company will not be sustainable.

5.3 The Council received £1.483m of additional funding from MHCLG in relation to additional costs, as a result of COVID-19. The Council proposes to allocate the required funding as indicated within this report against the allocation, to ensure that the funding that Active4Today requires, to maintain its sustainability, is set aside. The allocation of this £1.483m will be presented to Policy and Finance Committee on 24th September 2020.

6.0 Community Plan – Alignment to Objectives

6.1 The provision of the Council's high quality and accessible leisure centres makes a significant contribution to the health and wellbeing of members of the community. Specifically the role that Active4Today performs for the Council by operating the leisure centres and sports development function attracts regular users each year thereby assisting the Council in the achievement of Objective 9, 'Improve the health and wellbeing of local residents, with a particular focus on narrowing the gap in healthy life expectancy and other health outcomes'.

7.0 RECOMMENDATIONS that:

(a) Leisure and Environment Committee notes and supports the content of the Active4Today Covid-19 Impact report (Appendix A) and;

(b) Recommends that Policy and Finance Committee approve the allocation of £0.490m from the MHCLG Covid-19 funding grant to support Active4Today's additional management costs as a direct result of the impact of Covid-19 on its trading activity.

Reason for Recommendations

To ensure that the funding that Active4Today requires to maintain its sustainability is set aside.

Background Papers

Nil

For further information please contact Matthew Finch on Ext 5716.

Matthew Finch

Director – Communities and Environment

**LEISURE AND ENVIRONMENT COMMITTEE
22 SEPTEMBER 2020**

UPDATE REPORT 1ST APRIL – 31ST AUGUST 2020

1. REPORT PURPOSE

- 1.1 To provide the Leisure and Environment Committee with an update of the business of Active4Today, since 1st April 2020, which includes the re-opening plan for the Company and the draft forecast of income and expenditure for the remainder of the 2020-2021 financial year. Members should note however, that the impact of the closure to date will not be fully understood until later within the 2020-2021 financial year and whilst the figures contained within the report provide a forecast based on known information to date, these may alter, as the business continues to operate.

2. BACKGROUND

- 2.1 The committee will be aware that the Active4Today operation to customers, ceased at close of business on 17th March 2020. This followed an unprecedented lockdown of the United Kingdom, with many businesses only just beginning to emerge from a position of closure.
- 2.2 Following the closure, all staff were furloughed, with the exception of the Systems Manager, Company Accountant and Managing Director. Throughout the furlough period, all legislative checks were undertaken weekly at all facilities, the membership and communications were continued to all staff and customers, the financial position of the Company was monitored weekly and the development of re-opening plan was undertaken, in readiness for the eventual opening of the facilities.
- 2.3 The Company is currently in the process of claiming its fourth furlough payment, which will be for the month of July. Throughout the closure period, Active4Today has paid all staff 100% of their salary for April, May and June and paid 80% only in July. Those staff however, who returned to work on 25th July when the centres re-opened, have returned to their full contractual payment. Currently there remain approximately 8 staff still on full, or part furlough. This is due to their activities not forming part of the re-opened business at this current time. It is expected however, that all contracted staff will return to their substantive roles shortly.
- 2.4 Support has been received to-date in the form of £140K management fees from NSDC and a £25k Government grant to support small businesses. From 1st April 2020 to 31st March 2021, it is estimated that £1.35M, in total, will be lost in membership and pay and play income, based on the 2020 - 2021 forecasted budget. This is made up of known losses whilst the centres were closed and estimated losses for the remainder of the year, based on a reduced

membership size, reduced sales and a lower starting point, when the direct debit collection re-commences.

- 2.5 As a result of the closure of the leisure centres, memberships reduced by approximately 1,200, as customers cancelled their direct debits, either with the Company, or directly with their bank. As a result of this, the Company worked hard to speak to each and every cancelled member and in turn as many other members who remained 'live'. The Company froze all customer memberships and asked those who had cancelled, to re-instate their membership, as no payments would be taken from their accounts during the closure period (several private organisations continued to collect their customer's direct debits). This resulted in over 15,000 forms of communication going out to customers and the offer of a free month, on re-opening, being provided, if members stayed with Active4Today during the closure and returned when the centres re-opened.

3. CURRENT PERFORMANCE

- 3.1 For the purposes of preparing a revised forecasted position to the committee, for the remaining part of the year, a re-opening date of 1st August 2020 has been used. Whilst the facilities did open on 25th July 2020, the pay and play income for the 6 days of July is minimal and no direct debit income was collected.
- 3.2 As part of the process, the committee are asked to note that the forecasts have been prepared providing the first month free of charge to all returning members of the direct debit scheme, as set out in the previous end of year report. This was agreed as part of the retention of members and assisted with not having to undertake a schedule amendment of 12,000 members, who may have claimed a 'part month' back, due to closing mid-month. This free month has increased the loss on the largest cash generator e.g. adult fitness and junior memberships, however, conversely, this may improve member retention, which in the long term, may provide a greater net income.
- 3.3 As part of the forecasting process, the estimates have been prepared acknowledging that the environment which customers have returned to, has several new operating procedures in place e.g. reduced occupancy in classes, reduced activities available on the programme, increased staffing, increased cleaning costs, reduced children's membership offer, less pay and play opportunities, reduced club usage (as advised by the National Governing Bodies), reduced outside hirers e.g. Tumble Tots and potentially several vulnerable groups not returning for the foreseeable future, due to their continued concern regarding their health (Individuals/groups currently shielding).
- 3.4 As part of the process, an exercise has been undertaken to re-calculate all adult and junior direct debits for the remaining 8 months of the year, which in effect will provide only 7 months income, as a result of the free month. This has assumed a starting position for the membership of 10% less, which is the current position of the membership base at this time.

The Company has factored in to the forecasts, seasonal variations and predicted new sales for the remainder of the year, based on historical information and feedback from various leisure advisory groups. This will begin to start developing a new membership base, to add to the existing customers which the company are hoping to retain.

- 3.5 The above forecast predicts a net loss of 10%, even though the industry is predicting a loss of approximately 40% in the sector. To date no finance is being collected from customers and their first direct debit payment will not be taken until 1st September 2020. As a result, September and October will be crucial months for the Company, as it will understand if the estimated 10% loss is accurate or not. This net position will be impacted on further, by the Government's Job Retention Scheme, which comes to an end on 31st of October.
- 3.6 In addition to the above, a line by line review has taken place on all other income and expenditure, with current information known at this time fed into the process e.g. the schools are currently aiming to return in September. These lines have also been adjusted for seasonal variations and where possible, expenditure has been reduced completely, in a bid to try and cushion the financial impact to the bottom line e.g. repairs and renewals have been significantly reduced; VAT has been reduced to reflect the reduction in repairs; savings have been made in licensing, as these have been re-negotiated with suppliers; recharges have been reduced to the Council, in view of the reduced services used e.g. asset management; finally, savings have been made on equipment purchases.
- 3.7 Currently there are still unknown areas which are being developed; one of these being staffing. Rotas have been aligned to new operating programmes, however, this may increase or reduce depending on the success of the re-opening and the seasonal variations in the business. In addition, staff who are used for junior coaching, (which is operating as a reduced programme) have remained on part furlough (as set out above), however, this may change as the programme develops over the next month. Finally, freelance instruction has also reduced, as employees of Active4Today have delivered several classes, historically taken by freelance instructors.
- 3.8 As part of the process for re-opening, the Company has developed new policies and procedures, risk assessments, codes of practise, rotas, activities and many other new operating processes, in a bid to try and reassure staff and customers that the business is operating in a Covid Secure environment. This has subsequently been developed into one overarching document, which gathers specific operating processes into one area. Whilst the document itself does not contain great detail, it is a reference document, which signposts the reader to other specific documentation. This document with its extensive list of attachments will develop further as new guidance becomes available and the environment surrounding Covid changes.

- 3.9 Being one of the last industries to open, the Company has used best practise from other organisations, in a bid to develop a safe and enjoyable environment for customers and staff to return to.
- 3.10 This has involved discussion with Newark and Sherwood District Council, Nottingham City Council and Nottinghamshire County Council Local Outbreak team, Sport England, Active Notts and other local authorities across the county. This is to try and develop a robust and consistent approach to re-opening, which aligns to other organisations and practises, which customers are already used to, as part of their new day to day lives e.g. queuing, reading signage, having to accept different instructions for using services, one-way systems and front of house staff, operating a meet and greet service.
- 3.11 In addition to the above, the Managing Director attends the Council's Responsive Recovery group, which co-ordinates 'lessons learnt', from the other industries, which have opened as part of the phased re-opening approach following lockdown. This group also includes advice and support from public health, who are one of the leading professional advisors supporting companies with advice on becoming Covid secure.

4. FINANCIAL HEADLINES

- 4.1 As a result of Covid-19 and the subsequent closure of the business on 17th March, the Company has, as stated above, undertaken comprehensive financial modelling, in order to determine the impact on the income and expenditure of the Company from 1st August 2020 to 31st March 2021.
- 4.2 Below is a summary of the review and forecasted position:
- 4.2.1 **Other Income** – the Company has currently received 3 furlough payments from the Government and has estimated the payment not yet received for July. In totality, the Company is expecting to receive approximately £320K in furlough payments. In addition, the Company has received £25k under the Government's business grants support scheme. Finally, the Company is forecasting to receive a further £55K additional income from the Government, as part of their initiative for Companies to re-engage employees following furlough. To qualify for the £1K per employee, the employee must work for 3 months and earn over £520 per month.
- 4.2.2 **Other Income (management fees)** – the Company has received an upfront payment from the Council of 50% of the expected management fee for 2020-2021, which totalled £60,610; in addition, the Council paid 100% of the management fee, associated with the services the Company provides to the Southwell Leisure Centre Trust.

- 4.2.3 **Total Income** – in total, the Company has forecasted a net income loss for the year of approximately £890k. This is just under a third of the expected income, which was originally budgeted for in 2020-2021. This is made up of the loss of income, as set out in 2.4 above and the income collected including, furlough payments, grant from the Government and management fees from the Council.
- 4.2.4 To support the loss in income, the Company has worked hard to off-set this cost by reducing expenditure. Below are several areas where the Company has instigated reductions.
- 4.2.5 **Staffing** – this has reduced by £162k, based on the reduction of staffing in the first quarter e.g. no relief staffing required, no holiday cover required and no sickness cover required. This line does not take into account the income received from furlough, as this is represented in ‘other income’, as set out above. In addition, an estimate has been made on the expected use of relief staff until March 2021, which is lower than usual; this is due to reduced programmes in operation.
- 4.2.6 **Premises** – this section of the budget has been reduced by £170k, over various budget lines e.g. repairs and maintenance and utilities. These reductions have been made due to the closure for Q1 and assumptions going forward regarding reduced repairs, due to lower usage in the sites. Utilities had significantly reduced from 1st April to the middle of July. Utilities since mid-July have returned to normal usage.
- 4.2.7 **Supplies and Services** – this section of the budget has been reduced by £133k, over various budget lines e.g. contractual services, reduced equipment costs, reduced printing and stationary, reductions in VAT as set out above and reductions in support services, due to reductions in associated codes, as set out above.
- 4.2.8 **Total Expenditure** – in totality, there has been a reduction in expenditure over all codes of £466k, to support the loss of income.
- 4.2.9 **Transfer from Balances** – this line represents the expected shortfall between income and expenditure (after all of the above measures) for the Company, for the financial year 2020-2021. This is currently being forecasted at £690k short for the year.
- 4.2.10 **Reserves** – currently the Company holds £396,819 in reserve, which can be used to support this shortfall; however, it is considered prudent not to use the full amount of this reserve, as this would leave the Company with no resilience to meet any unforeseen expenditure, and any repairs and renewals. In addition, Members will be aware that the Dukeries Leisure Centre is currently commencing a development of a new 20 metre swimming pool. As part of the agreement with the Council,

Active4Today are responsible for elements of the fit out for the new reception area and this will require an element of draw down on the reserve.

4.2.11 Therefore, Company is proposing to use £200K of its reserve to support the shortfall of circa £690K, set out above. This would leave the Company with £196,819 left in its reserve, to support further areas, which require support during the year. The Company, therefore, requests that the Council make up the remaining balance of the forecast shortfall of £490K.

4.2.12 As stated, however, earlier within this report, Members should note that these headline figures are estimates, based on the information currently known at period 5. However, as the impact of Covid-19 is not known fully at this stage, these figures may alter as usage either increases or decreases, which will impact on the current estimated deficit position.

5. PROPOSAL

5.1 Based on the information set out above, it is proposed that the Company use £200K of its reserve to support the estimated shortfall, which is currently being forecasted at £690K.

5.2 It is proposed that the Company request that the Council make provision within its finances to support the current estimated remaining deficit (currently estimate at £490K), which based on the forecasted financial modelling, would leave the Company in a balanced position.

5.3 It is proposed that the Company provide monthly updates to the Senior Leadership team of the Council, in order they are fully appraised of the financial position of the Company and the level of deficit funding support required. The full amount of £490K will not be drawn down immediately but will follow as the outcome of the monthly review meetings.

6. BUDGET IMPLICATIONS

6.1 There are significant budget implications within this report which are highlighted in the body of the report. This will be reported regularly to the Senior Leadership team of the Council, in order they are fully appraised of the most recent financial position of the Company.

6.2 In summary, the Company faces a forecast deficit for the 2020-2021 financial year of £0.690m which it proposes to meet by using £0.200m of its reserves and by further support from the council to bridge the remaining £0.490m shortfall. Without this support, from the Council the provision of leisure centre services by the company will not be sustainable.

6.3 The Council received £1.483m of additional funding from MHCLG in relation to additional costs as a result of COVID-19. The Council has allocated the required funding as indicated

within this report against the allocation, to ensure that the funding that Active require to maintain their sustainability is set aside.

7. EQUALITY & DIVERSITY IMPLICATIONS

- 7.1 There are no equality or diversity issues. All information will continue to be available in a number of formats in line with Active4Today's access requirements and those set out in the equalities and diversity policy.

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

LEISURE AND ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

ACTIVE4TODAY – GOVERNANCE AGREEMENT

1.0 Purpose of Report

- 1.1 To consider and approve the draft Governance Agreement between the Council and Active4Today.

2.0 Background Information

- 2.1 At its meeting on 19 November 2019, the Committee agreed to the principle of introducing a Governance Agreement between the Council and Active4Today, to sit alongside the Articles of the Company and underline the Council's role as shareholder in exercising a decisive influence over both: strategic objectives and significant decisions of the Company.
- 2.2 There are various provisions contained within the Company's Articles that cover the balance of control and decision-making between the Council and the Company, for example the Council's reserve power to act by special resolution to direct the directors. However, there is no 'parallel' Governance Agreement between the Council and the Company, similar to that which the Council has with Arkwood Developments Limited. This is a discrete document (separate from the Company's Articles), which covers in one place: the business plan; matters reserved to the Council for decision; accounting and financial provision; information; scrutiny and accountability. This is in contrast to the position with A4T, where the equivalent provisions are scattered between the Articles and the Service Contract.
- 2.3 Therefore, from a governance perspective there is a gap between the 'high level' requirements of the Company's Articles, and the commissioning role that the Council plays under the Service Contract. It is recognised by the Council and its auditors that it is good practice to have in place a governance agreement (which is akin to a shareholder's agreement) to plug this gap.

3.0 Proposed Governance Agreement

- 3.1 A proposed Governance Agreement has been drafted for the Council by Anthony Collins Solicitors, based very much upon the version they prepared for the Council for its other company, Arkwood Developments Ltd. This provides the benefit of consistency of approach by the Council in its control and overview of its wholly owned companies. A copy of the draft document is attached, as **Appendix A**, to this report.
- 3.2 The document is fairly clear and straightforward, and seeks to provide greater clarity around governance arrangements:-regulating the Council and Company's respective responsibilities around the operation and management of the Company and the relationship between both parties. It will secure greater transparency between the Council and the Company and reinforce the Council's role as shareholder. For instance, included are: provisions regarding the ability of the Council to have a representative (who would not be a director of the Company) to attend the Company's board meetings as an observer; a requirement for the Company to provide full management accounts and financial forecasts

to the Council; and those decisions that are specifically reserved for Council approval; etc. This mirrors the provisions that the Council already has in place for Arkwood Developments Ltd.

- 3.3 Subject to the consideration and approval of the draft governance document by the Committee, it is proposed that officers consult and negotiate with the Company to secure approval by the Board to enter into the Agreement.

4.0 Equalities Implications

- 4.1 There are no new equalities implications arising from this report.

5.0 Financial Implications – Ref No:-FIN20-21/551

- 5.1 There are no direct financial implications arising from this report. Schedule 2 (Reserved Matters) of the draft Governance Agreement (**Appendix A**) outlines for various situations the circumstances in which officer, Board and Member approval would each be appropriate. In these situations and others, officers will advise the relevant decision-making body (officers, the Board or Members) of the potential financial implications.

6.0 RECOMMENDATION that:

The Committee consider and approve the draft Governance Agreement, as appended to the report, and authorise officers to consult and negotiate with the Board of Active4Today to secure the execution of the Agreement between the parties.

Reason for Recommendations

To ensure that the Governance arrangements between the Council and its wholly owned company are effective and clear.

Background Papers

For further information please contact Karen White on Ext 5240.

Karen White
Director – Governance and Organisational Development

DATED

2020

GOVERNANCE AGREEMENT

between

(1) ACTIVE4TODAY LIMITED

(2) NEWARK AND SHERWOOD DISTRICT COUNCIL

Anthony Collins Solicitors LLP

134 Edmund Street

Birmingham B3 2ES

Tel: 0121 200 3242

Ref: MC1/ADL 36456.0006

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PARTIES

- (1) **Active4Today Limited** (Company Registration Number: 09477018) whose registered office is at Newark Sports and Fitness Centre, Bowbridge Road, Newark, Nottinghamshire, England, NG24 4DH (the “**Company**”);
- (2) **Newark and Sherwood District Council** of Castle House, Great North Road, Newark, Nottinghamshire NG24 1BY (the “**Council**”);

BACKGROUND

- (A) The Company is a private company limited by guarantee without share capital incorporated in England and Wales under the Companies Act 2006 and at the date of this Agreement the only member of the Company is the Council.
- (B) The Council has established the Company to manage the provision of leisure centres and leisure services on behalf of the Council. The Council and the Company's relationship is governed in accordance with Regulation 12, Public Contracts Regulations 2015 and Regulation 17, Concession Contracts Regulations 2016.
- (C) The Company is a controlled company within the meaning of the Local Government and Housing Act 1989 and a regulated company within the meaning of the Local Authorities (Companies) Order 1995.
- (D) The Parties have agreed to execute this Agreement to regulate their respective responsibilities, the governance arrangements and the operation and management of the Company and the relationship between the Company and the Council.
- (E) The Council has delegated responsibility for making decisions as sole Member of the Company to the Leisure and Environment Committee and references in this Agreement to decision making on behalf of the Council shall be taken to refer to the Leisure and Environment Committee unless otherwise stated, or unless the Council otherwise decides.

AGREED TERMS

1. INTERPRETATION

- 1.1 The definitions and rules of interpretation in this clause apply in this Agreement.

Act: means the Companies Act 2006;

Adequate Procedures: means adequate procedures, as referred to in section 7(2) of the Bribery Act 2010 and any

	guidance issued by the Secretary of State under section 9 of the Bribery Act 2010;
Articles:	means the articles of association of the Company as amended or superseded from time to time;
Board:	means the board of Directors of the Company as constituted from time to time;
Business:	has the meaning given in clause 2.1 and as may be further defined in any adopted Business Plan;
Business Case:	means any business case for particular activity by the Company that has been developed by the Company and adopted by the Board (where in accordance with the Business Plan or any other authority given to the Board by the Council) or by the Council;
Business Day:	means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;
Business Plan:	means the document that may be agreed and adopted by the Company in accordance with clause 6;
Confidential Information:	has the meaning given in clause 11;
Director:	means a director of the Company;
electronic form:	has the meaning given in section 1168 of the Act;
Encumbrance:	means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement)

	having similar effect;
Financial Year:	in relation to the Company, means the period of 12 months commencing on 1 April and ending on 31 March each year;
Group:	in relation to a company, means that company, any Subsidiary or Holding Company from time to time of that company and any Subsidiary from time to time of a Holding Company of that company; and each company in a Group is a member of the Group;
Holding Company and Subsidiary and Wholly-Owned Subsidiary:	mean a "holding company", "subsidiary" and "wholly-owned subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;
Leisure Service Contract:	means the contract dated 1 June 2015 (as varied from time to time) and made between the Council and the Company;
Members:	means the members of the Company from time to time. As at the date of this Agreement, the Council is the sole Member;
Named Officer:	the officer or officers of the Council who is/are notified by the Council to the Company from time to time for the purposes set out in this Agreement. As at the date of this Agreement, the Named Officer is the Director – Communities and Environment;
Objects:	means the objects of the Company set out at

	Article 3 of the Articles;
Overarching Agreement:	has the meaning given in the Leisure Services Contract;
Party/Parties:	the Council and/or the Company as appropriate;
Regulation 12:	means regulation 12 (other than regulation 12(7)) of the Public Contracts Regulations 2015 and any equivalent provision in successor legislation;
Regulation 17:	means regulation 17 (other than regulation 17(7)) of the Concession Contracts Regulations 2016 and any equivalent provision in successor legislation;
Reserved Matters:	means the Reserved Matters listed in Schedule 2;
Support Services:	has the meaning set out in Schedule 1;
Support Services Agreement:	the agreement(s) made between the Council and the Company relating to the provision of support services by the Council to the Company,

- 1.2 Clause, schedule and paragraph headings do not affect the interpretation of this Agreement.
- 1.3 A reference to a clause or a schedule is a reference to a clause of, or a schedule to, this Agreement. A reference to a paragraph is to a paragraph of the relevant schedule.
- 1.4 A **person** includes a natural person, a corporate or unincorporated body (whether or not having a separate legal personality).
- 1.5 Unless the context otherwise requires, references to the singular include the plural and vice versa and to the whole include part and vice versa.
- 1.6 Unless the context otherwise requires, a reference to one gender includes a reference to the other genders.
- 1.7 All warranties, representations, agreements and obligations expressed to be given or entered into by more than one person are given or entered into jointly and severally by the persons concerned.
- 1.8 A reference to a particular statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time taking account of any amendment or re-

enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts and subordinate legislation for the time being in force made under it provided that, as between the Parties, no such amendment or re-enactment shall apply for the purposes of this Agreement to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any Party.

- 1.9 A reference to **writing** or **written** includes faxes and email but no other electronic form.
- 1.10 Documents in **agreed form** are documents in the form agreed by the Parties to this Agreement and initialled by them or on their behalf for identification.
- 1.11 A reference in this Agreement to a document is a reference to the document whether in paper or electronic form.
- 1.12 A reference in this Agreement to **other documents referred to in this Agreement** is a reference to the following documents- the Articles and the Support Services Agreement.
- 1.13 Where the words **include(s)**, **including** or **in particular** are used in this Agreement, they are deemed to have the words "without limitation" following them.
- 1.14 Any obligation in this Agreement on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 1.15 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.16 References to times of day are, unless the context requires otherwise, to London time and references to a day are to a period of 24 hours running from midnight on the previous day.
- 1.17 [Where there is any conflict between the terms of this Agreement and the Leisure Services Contract, then the terms of this Agreement shall take precedence and apply.]

2. THE BUSINESS OF THE COMPANY

- 2.1 The business of the Company is to undertake activities in accordance with the Objects and the Leisure Service Contract for and on behalf of the Council (the "**Business**").
- 2.2 The Business may be modified to include such further activities as the Council may designate.
- 2.3 The Business shall be carried out by the Company in accordance with any Business Plan adopted and any Business Case adopted under that Business Plan or otherwise approved by the Council.

2.4 The Company shall at all times:

- (a) comply with the requirements of Regulation 12 and Regulation 17 and not take any action or omit to act where doing so would place the Council and the Company's relationship in breach of Regulation 12 and/or Regulation 17;
- (b) comply with any adopted Business Plan;
- (c) ensure that social and ethical considerations are taken into account in decision making and all other matters;
- (d) comply with the provisions of this Agreement and the Articles and;
- (e) comply with the terms of the Leisure Services Contract (to the extent they do not conflict with the terms of this Agreement).

3. DIRECTORS AND MANAGEMENT

3.1 The Directors of the Company are appointed and dismissed by the Council.

3.2 The Board has responsibility for the supervision and management of the Company and its business subject to the Council having a decisive influence over both the strategic objectives and significant decisions of the Company through the terms of the Articles and this Agreement. The Board shall ensure that the Company shall not transact any of the business described in the Reserved Matters without first referring the matter to the Council for decision.

3.3 Where the Directors are employees or officers of the Council they shall not be entitled to any remuneration from the Company in their capacity as Directors and their expenses shall be reimbursed by the Council. Where the Directors are elected members of the Council then they shall only be entitled to remuneration and expenses in accordance with the Local Authorities (Companies) Order 1995.

3.4 Any Secretary appointed by the Company who is an employee or officer of the Council shall not be entitled to any remuneration from the Company in their capacity as Secretary and their expenses shall be reimbursed by the Company.

3.5 The Company shall procure that Board meetings occur at least quarterly.

4. LAND AND FINANCE FOR THE COMPANY

4.1 There is no obligation on the Council to provide any land, capital or other finance to the Company unless the Parties agree otherwise in writing.

- 4.2 If the Council provides land, capital or other finance pursuant to this clause 4 the Parties shall negotiate in good faith on any terms to apply to such capital or other finance.

5. ANTI-CORRUPTION

- 5.1 The Company undertakes to the Council that:

- (a) it will not in the course of the operation of the Business, engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010;
- (b) it will maintain in place, anti-corruption procedures in substantially the same form as the Council's anti-corruption procedures which the Parties agree constitute Adequate Procedures;
- (c) it will maintain in place, anti-money laundering procedures in substantially the same form as the Council's anti-money laundering procedures; and
- (d) from time to time, at the request of the Council it will confirm in writing that it has complied with its undertakings under clause 5.1(a) to clause 5.1(b) and will provide any information reasonably requested by the Council in support of such compliance.

6. THE BUSINESS PLAN

- 6.1 The Company must adopt a Business Plan for each Financial Year except for any Financial Year where the Council by ordinary resolution disapplies this requirement.
- 6.2 The Board is responsible for preparing, reviewing and updating any Business Plan.
- 6.3 In accordance with the Reserved Matters, the Council must approve the adoption of any Business Plan and any revision or update thereof ahead of adoption by the Board.
- 6.4 The Company shall consult the Named Officer of the Council ahead of presenting a Business Plan or revision or update thereof to the Council for approval under clause 6.3.

7. ACCOUNTING

- 7.1 The Company shall at all times maintain accurate and complete accounting and other financial records including all corporation tax computations and related documents and correspondence with HM Revenue & Customs in accordance with the requirements of all applicable laws and generally accepted accounting principles applicable in the United Kingdom.

- 7.2 The Company shall at all times maintain accurate and complete accounting and other financial records to the standard required by the Council including the accounting standards and financial reporting timescales required by the Council.
- 7.3 The Council and its authorised representatives shall be allowed access at all reasonable times to examine the books and records of the Company and to discuss the Company's affairs with the Directors and any employees (if any) of the Company.
- 7.4 The Company shall supply the Named Officer of the Council with the financial and other information necessary to keep the Council informed about how effectively the Business is performing and in particular shall supply the Council with:
- (a) a copy of any proposed Business Plan for approval in accordance with clause 6 and the Reserved Matters;
 - (b) a copy of the audited accounts of the Company prepared in accordance with the laws applicable in and the accounting standards, principles and practices generally accepted in the United Kingdom, within two months of the end of the year to which the audited accounts relate; and
 - (c) quarterly management accounts of the Company to be supplied as soon as reasonably practicable following the end of the months to which they relate and in any event by the final day of the month following the month to which the accounts relate and the accounts shall include a profit and loss account, a balance sheet and a cashflow statement and such other information as the Council may reasonably require.
 - (d) a copy of any report reviewing or monitoring the implementation and operation by the Company of Adequate Procedures such report to be provided within 10 Business Days of it being reported to the Board.
 - (e) copies of any proposed or adopted Business Cases.
- 7.5 The Council may require the Company, and the Company shall as soon as possible comply with such a request, to provide any documents, information and correspondence necessary to enable the Council to comply with filing, elections, returns or any other requirements of HM Revenue & Customs or of any other revenue or tax authority.

8. NOT USED

9. TERMINATION

9.1 This Agreement may be terminated at any time by the Council serving notice to terminate on the Company.

9.2 The following provisions of this Agreement remain in full force after termination:

- (a) Clause 1 (Interpretation);
- (b) this clause 9;
- (c) Clause 11 (Confidentiality);
- (d) Clause 13 (Whole Agreement);
- (e) Clause 16 (Variation and Waiver);
- (f) Clause 17 (Costs);
- (g) Clause 21 (Notice);
- (h) Clause 23 (Language);
- (i) Clause 24 (Severance);
- (j) Clause 27 (Governing Law and Jurisdiction); and
- (k) Clause 28 (Dispute Resolution).

9.3 Termination of this Agreement shall not affect any rights or liabilities that the Parties have accrued under it.

10. STATUS OF THE AGREEMENT

10.1 If there is at any time any conflict, ambiguity or discrepancy between the provisions of this Agreement and the Articles, then the provisions of this Agreement shall prevail over the Articles unless the Council directs otherwise. The Parties shall procure that the Articles are amended to accord with the provisions of this Agreement in the event of any conflict.

11. CONFIDENTIALITY

11.1 In this clause Confidential Information means any information which:

- (a) any Party may have or acquire (whether before or after the date of this Agreement) in relation to the customers, suppliers, business, assets or affairs of the Company (including, without limitation, any information provided pursuant to clause 7);

- (b) any Party or any member of its Group may have or acquire (whether before or after the date of this Agreement) in relation to the customers, suppliers, business, assets or affairs of another Party or any member of the another Party's Group, as a consequence of the negotiations relating to this Agreement or any other agreement or document referred to in this Agreement or the performance of the Agreement or any other agreement or document referred to in this Agreement; or
- (c) relates to the contents of any adopted Business Plan or Business Case.

but excludes the information in clause 11.2.

11.2 Information is not Confidential Information if:

- (a) it is or becomes public knowledge other than as a direct or indirect result of the information being disclosed in breach of this Agreement;
- (b) a Party can establish to the reasonable satisfaction of the other Parties that it found out the information from a source not connected with the other Parties or its Group and that the source is not under any obligation of confidence in respect of the information;
- (c) either Party can establish to the reasonable satisfaction of the other Parties that the information was known to the first Party before the date of this Agreement and that it was not under any obligation of confidence in respect of the information; or
- (d) the Parties agree in writing that it is not confidential.

11.3 Each Party shall at all times use all reasonable endeavours to keep confidential (and to ensure that its employees, agents, Subsidiaries and the employees and agents of such Subsidiaries shall keep confidential), any Confidential Information and shall not use or disclose any such Confidential Information except:

- (a) to a Party's professional advisers where such disclosure is for a purpose related to the operation of this Agreement;
- (b) with the written consent of the Party to whom the Confidential Information belongs or relates to or any member of its Group that the information relates to;
- (c) as may be required by law (to include without limitation the Local Authorities (Companies) Order 1995) or by the rules of any recognised stock exchange, or governmental or other regulatory body, when the Party concerned shall, if practicable, supply a copy of the required disclosure to the other before it is disclosed and incorporate any amendments or additions reasonably required by

the other Parties and which would not thereby prevent the disclosing Party from complying with its legal obligations;

- (d) to any tax authority to the extent reasonably required for the purposes of the tax affairs of the Party concerned or any member of its Group;
- (e) if the information comes within the public domain (otherwise than as a result of the breach of this clause 11.3)

11.4 Each Party shall inform (and shall use all reasonable endeavours to procure that any Subsidiary informs) any officer, employee or agent or any professional adviser advising it in relation to the matters referred to in this Agreement, or to whom it provides Confidential Information, that such information is confidential and shall require them:

- (a) to keep it confidential; and
- (b) not to disclose it to any third party (other than those persons to whom it has already been disclosed in accordance with the terms of this Agreement).

11.5 Upon termination of this Agreement, any Party may demand from any other Party the return of any documents containing Confidential Information in relation to the first Party by notice in writing whereupon the second Party shall (and shall use all reasonable endeavours to ensure that its Subsidiaries, and its officers and employees and those of its Subsidiaries shall):

- (a) return such documents; and
- (b) destroy any copies of such documents and any other document or other record reproducing, containing or made from or with reference to the Confidential Information,

save, in each case, for any submission to or filings with governmental, tax or regulatory authorities. Such return or destruction shall take place as soon as practicable after the receipt of any such notice.

11.6 The obligations of the Parties in this clause 11 shall continue without limit in time and notwithstanding termination of this Agreement for any cause.

12. INFORMATION, SCRUTINY AND ACCOUNTABILITY

12.1 Subject to clause 12.4, the Parties acknowledge that the Council and the Company are each subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 (**Information Legislation**). The Parties shall use reasonable endeavours to assist, within the timescale specified by a Party in receipt of a request for information under the Information Legislation ("the receiving Party"), the

receiving Party in responding to any requests for information under that legislation to include the provision of any and all documents that the receiving Party considers reasonably necessary to enable it to respond to the information request.

- 12.2 The Company shall, and shall procure that its employees and agents shall, comply at all times with the Council's policies and procedures on Freedom of Information.
- 12.3 Notwithstanding clauses 12.1 and 12.2, the Company shall comply at all times with the Information Legislation as that legislation applies directly to the Company.
- 12.4 Where the Company is in receipt of any request for information under the Information Legislation, then it shall as soon as reasonably practicable pass the request to the Council and have regard to the views of the Council before responding to any such request.
- 12.5 The Company shall use reasonable endeavours to assist the Council in complying with any and all transparency obligations including without limitation compliance with the Local Government Transparency Code 2015 and any successor codes, policies or guidance.
- 12.6 The Company shall use reasonable endeavours to assist the Council in responding to any requests for information about the Company and/or the Business submitted by elected members of the Council.
- 12.7 The Company shall, if the Council on reasonable notice so decides, make available officers and/or employees of the Company to attend before and answer questions at any meeting of:
- (a) the Full Council;
 - (b) the Leisure and Environment Committee;
 - (c) the Policy and Finance Committee of the Council; and/or
 - (d) a meeting of officers of the Council;
- 12.8 The Company shall supply any information to such committees, sub-committees or other meeting as the Council may reasonably request.
- 12.9 The Company shall allow a representative of the council to attend as an Observer at meetings of the Board of the Company; or at committees of the Board.
- 12.10 The Company shall use reasonable endeavours to assist the Council in responding to any inquiry or investigation of/by the Local Government and Social Care Ombudsman (or any successor).

13. LOCAL AUTHORITIES (COMPANIES) ORDER 1995

- 13.1 The Company shall at all times comply with the Local Authorities (Companies) Order 1995, any successor legislation or statutory instrument and any other laws in force from time to time relation to the operation, management and activities of a local authority owned company.

14. WHOLE AGREEMENT

- 14.1 This Agreement, and any documents referred to in it, constitute the whole agreement between the Parties and supersede all previous arrangements, understandings and agreements between them, whether oral or written, relating to their subject matter.
- 14.2 Each Party acknowledges that in entering into this Agreement, and any documents referred to in it, it does not rely on, and shall have no remedy in respect of, any representation or warranty (whether made innocently or negligently) that is not set out in this Agreement or those documents.
- 14.3 Nothing in this clause 14 shall limit or exclude any liability for fraud.

15. ASSIGNMENTS

- 15.1 The Company may not assign, or grant any Encumbrance over or sub-contract, or deal in any way with, any of its rights or obligations under this Agreement or any document referred to in it without the prior written consent of the Council in accordance with Schedule 2.
- 15.2 Each person that has rights under this Agreement is acting on its own behalf.

16. VARIATION AND WAIVER

- 16.1 A variation of this Agreement shall be in writing and signed by or on behalf of all Parties.
- 16.2 A waiver of any right under this Agreement is only effective if it is in writing and it applies only to the person to which the waiver is addressed and the circumstances for which it is given.
- 16.3 A person that waives a right in relation to one person, or takes or fails to take any action against that person, does not affect its rights against any other person.
- 16.4 No failure to exercise or delay in exercising any right or remedy provided under this Agreement or by law constitutes a waiver of such right or remedy or shall prevent any future exercise in whole or in part thereof.

16.5 No single or partial exercise of any right or remedy under this Agreement shall preclude or restrict the further exercise of any such right or remedy.

16.6 Unless specifically provided otherwise, rights and remedies arising under this Agreement are cumulative and do not exclude rights and remedies provided by law.

17. COSTS

Unless otherwise provided or agreed in writing, all costs in connection with the negotiation, preparation, execution and performance of this Agreement, shall be borne by the Party that incurred the costs.

18. NO PARTNERSHIP

The Parties to this Agreement are not in partnership with each other and there is no relationship of principal and agent between them.

19. GOOD FAITH

19.1 Each Party shall at all times act in good faith towards the other and shall use all reasonable endeavours to ensure that this Agreement is observed.

19.2 Each Party shall do all things necessary and desirable to give effect to the spirit and intention of this Agreement.

20. THIRD PARTY RIGHTS

20.1 A person who is not a Party to this Agreement shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 1999 except where such rights are expressly granted in this Agreement.

20.2 The right of the Parties to terminate, rescind or agree any amendment, variation, waiver or settlement under this Agreement is not subject to the consent of any person that is not a Party to the Agreement.

21. NOTICE

21.1 A notice given under this Agreement:

- (a) shall be in writing in the English language (or be accompanied by a properly prepared translation into English);
- (b) shall be sent for the attention of the person, and to the address, email address or fax number, given in this clause 21 (or such other address, email address, fax number or person as the relevant Party may notify to the other Party); and
- (c) shall be:

- (i) delivered personally; or
- (ii) delivered by commercial courier; or
- (iii) sent by fax;
- (iv) sent by email to such email addresses as may be notified by each Party to the other. As at the date of this Agreement the email addresses for each Party are:
 - (A) The Council []; and
 - (B) The Company: []; or
- (v) sent by pre-paid United Kingdom first-class post or recorded delivery.

21.2 The addresses for service of notice are:

- (a) The Council and the Company – the addresses stated at the beginning of this Agreement.

21.3 If a notice has been properly sent or delivered in accordance with this clause, it will be deemed to have been received as follows:

- (a) if delivered personally, at the time of delivery; or
- (b) if delivered by commercial courier, at the time of signature of the courier's delivery receipt; or
- (c) if sent or supplied by fax, one hour after the notice was sent or supplied; or
- (d) if sent by email, on the day of transmission if before 4.00pm on a Business Day otherwise at 10.00am on the next Business Day thereafter provided that the sender has a transmission report showing a successful transmission to the correct email address (delivery receipt) and evidence of the email having been opened (read receipt); or
- (e) if sent by pre-paid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted or 5 Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending Party receives a confirmation of delivery from the courier service provider; or

- (f) if deemed receipt under the previous paragraphs of this sub-clause is not within business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of receipt), when business next starts in the place of deemed receipt and all references to time are to local time in the place of deemed receipt.

21.4 To prove delivery, it is sufficient to prove that notice was transmitted by fax to the fax number of the Party or, in the case of post, that the envelope containing the notice was properly addressed and posted.

22. INTEREST ON LATE PAYMENT

22.1 Where a sum is required to be paid under this Agreement but is not paid before or on the date the Parties agreed, the person due to pay the sum shall also pay an amount equal to interest on that sum at the rate set out in clause 22.2 for the period beginning with the date on which the payment was due and ending with the date the sum is paid (and the period shall continue after as well as before judgment).

22.2 The rate of interest shall be 2% per annum above the base lending rate from time to time of the Bank of England. Interest shall accrue on a daily basis and be compounded quarterly.

23. LANGUAGE

If this Agreement is translated into any language other than English, the English language text shall prevail.

24. SEVERANCE

24.1 If any provision of this Agreement (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.

24.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted or modified, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the Parties.

25. FURTHER ASSURANCE

Each Party shall promptly execute and deliver all such documents, and do all such things, as the other Party may from time to time reasonably require for the purpose of giving full effect to the provisions of this Agreement.

26. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each Party had signed the same document.

27. GOVERNING LAW AND JURISDICTION

27.1 This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the law of England.

27.2 The Parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

28. DISPUTE RESOLUTION

28.1 In the event that any dispute arises between the Council and the Company then in the first instance the dispute shall be referred for resolution to the Named Officer of the Council and the Chair of the Board.

28.2 Where the Parties are unable to resolve a dispute in accordance with clauses 28.1, then the Council may at any time serve a notice in writing on the Company directing the Company and the Board to take and/or refrain from taking actions specified in the notice – such notice to be lawful and consistent with the Act, any applicable legislation and/or the fiduciary duties of the Directors and the Board shall be permitted a reasonable period of time to seek independent legal advice if they reasonably believe that they may or will be in breach thereof.

28.3 The Company must comply with any notice served pursuant to clause 28.1 within the timescales specified in the notice, provided always that where the relevant Board considers that compliance with any such notice may, in the view of the Board, place the Directors in breach of their fiduciary duties to the Company then the Board shall seek Member approval before implementing the requirements of the notice.

29. INTERNAL COUNCIL DECISION MAKING

29.1 The Company acknowledges that the Council in its capacity as the Member will make decisions through the Leisure and Environment Committee to which it has delegated powers and that the Leisure and Environment Committee will report on its activities and the performance of the Company to the Policy and Finance Committee of the Council

for the purposes of Overview and Scrutiny. References therefore in this agreement to the Council refer to the Leisure and Environment Committee.

29.2 The Company shall ensure that:

- (a) Copies of Board minutes are made available to the Council following each Board meeting; and
- (b) Not less than twice in every Financial Year, the Board produces a report on the performance and activities of the Company and provides the same to the Council.

29.3 Notwithstanding, clause 12.7 the Company shall make available the Chair of the Board (or a substitute Director) to attend meetings of the Council unless the Council confirms in writing that attendance is not required.

29.4 The Company shall consult the Council prior to adopting any policy or procedure for the operation and management of the Company.

29.5 The Council may require that the Company adopts certain policies or procedures in the Company's operation from time to time.

29.6 Where the Board considers that compliance with any requirement of the Council under this Agreement would place the Directors in breach or at risk of breach of the Act, any applicable legislation and/or their duties to the Company then the Board shall seek Member approval of the actions required and the Board shall be permitted a reasonable period of time to seek independent legal advice if they reasonably believe that they may or will be in breach thereof.

This Agreement has been executed and delivered as a deed on the date stated at the beginning of it.

Schedule 1 Support Services

The Council will provide all support services to the Company, unless the services provided by the Council does not meet the needs of the Company.

The Council and the Company have entered into an Overarching Agreement and service level agreements under that Overarching Agreement in respect of the services to be provided.

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Schedule 2 Reserved Matters

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
1. Business Plan	<p>Adopting the first and all future Business Plans.</p> <p>Approving any material change to any previously approved Business Plan, which the Board is unable to approve.</p>	<p>Varying the timing, scale or programme of works or projects that are included in the Business Plan where the change in the budgeted revenue is less than £50,000 in any one financial year.</p> <p>Non-material departures from the Business Plan</p>	<p>The Board shall be entitled to delegate decisions as detailed in the Business Plan and/or decisions which relate to commitments up to a value of £50,000.</p>
2. Appointment and Removal of Directors	<p>Appointment and removal of all Directors.</p>	<p>Appointment and removal of all Board advisers (to include terms and conditions of relationship).</p> <p>Appointment of the Chair from amongst their number.</p>	<p>None.</p>

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
3. Variations to the Articles of Association	Any variations to the Company's Articles.	None.	None.
4. Executive Director Remuneration	The approval of the terms and conditions of employment of any executive director of the company.	Non-material alterations to terms and conditions Performance related pay awards	None.
5. Employee Recruitment and Remuneration	Approval of a pay framework and job evaluation scheme for the Company.	Recruitment of employees and/or agreeing the remuneration of employees where the total remuneration for that position is greater than £50K and is within the approved pay framework.	Recruitment of employees and/or agreeing the remuneration of employees where the total remuneration for that position is no more than £50K and is within the approved pay framework.
6. Shares	The acquisition of any shares or	None.	None.

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
	any option over shares in the capital of any company.		
7. Issuing or Accepting of Borrowing / Loan Capital	<p>Entering into any borrowing, the issuing of any loan capital or entering into any commitments with any person regarding the issue of any loan capital outside of the approved Business Plan.</p> <p>Agreeing, as part of the approved Business Plan, the extent of any permitted borrowing delegated for Board approval, and the terms on which that borrowing can be</p>	Entering into any borrowing or issuing any loan capital where this is approved in the current Business Plan, to the extent and on the terms set out in the approved Business Plan.	None.

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
	entered into.		
8. Nature of Company Business	Any material changes to the nature of the Company's business, or commencing any new business not contemplated by the approved Business Plan.	Any changes to the nature of the Company's business, or commencing any new business, but only where this is contemplated by the approved Business Plan.	None.
9. Acquisitions or Disposals	The acquisition of any freehold or leasehold land or building or the entering into of any option in respect of any land or building where this is not contemplated by the approved Business Plan and/or exceeds £50,000 in value.	The acquisition of any land or building or the entering in of any option in respect of any land or building specifically contemplated by the approved Business Plan up to a value of £50,000.	None.

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
10. Company / Group Structure	Forming any subsidiary or acquiring an interest in any other company or participating in any partnership or corporate joint venture Amalgamating or merging with any other company or undertaking	None.	None.
11. Appointment of Agents or Subcontractors or Arms' Length Transactions	All appointments exceeding a value of £50,000.	Appointment of contractors or subcontractors where this is in pursuance of the approved Business Plan and in accordance with the Leisure Services Contract where the value does not exceed £50,000.	Appointment of contractors or subcontractors in pursuance of the approved Business Plan up to a value of £50,000.

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
12. Part sale of the business	Selling any part of the business, unless specifically contemplated and authorised in the approved Business Plan.	None.	None.
13. Business Name and Location	Changing the Company name, trading name, or registered office, or changing the location of any offices outside of the Company's registered office to a location outside of the District.	Changing the location of any offices outside of the Company's registered office to another location within the District only.	None.
14. Intellectual Property	The disposal, sale, assignment or granting of any rights in the Company's intellectual property outside of the normal course of	The granting of any rights (by licence or otherwise) in or over any intellectual property owned or used by the Company in the normal course of business and	Where necessary to effect decisions delegated as above up to £50,000

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
	business.	which are valued at £50,000 or less.	
15. Encumbrances	Creating or granting any encumbrance over the whole or any part of the Company or its business, undertaking or assets other than liens arising in the normal course of business.	None	None
16. Redundancy	None	Dismissing any employee in circumstances in which the Company will incur or agrees to bear redundancy or other costs (including actuarial costs) in excess of £50K.	Dismissing any employee in circumstances in which the Company will incur or agrees to bear redundancy or other costs (including actuarial costs) no greater than £50K.
17. Pension	Establishing any new pension	Establishing any new pension scheme, or	None.

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
	<p>scheme, or granting any pension rights to any director, former director, or any members of any such person's family.</p> <p>Changes to pension arrangements for staff whether in the Local Government Pension Scheme or otherwise. Any other decisions of the Company which will have an effect on liabilities of the Member under the Local Government Pension Scheme or any associated guarantee.</p>	<p>amending any pension scheme, provided by the Company to employees.</p>	

	Reserved Matters for Member Approval	Matters Delegated for Board Approval	Matters Delegated by the Board for Approval by individual Directors or another named employee or officer of the Company
18. Company Winding up	Passing any resolution for the winding up of the Company, or presenting any petition for its administration (save for in insolvency).	None.	None.

The **COMMON SEAL** of
**NEWARK AND SHERWOOD DISTRICT
COUNCIL**

was affixed to this Deed in the presence
of:

.....

[INSERT DETAILS]

Executed as a **DEED** by
ACTIVE4TODAY LIMITED acting
by [.....], a
director, in the presence of:

.....

Director

.....

SIGNATURE OF WITNESS

.....

NAME OF WITNESS (IN BLOCK
CAPITALS)

.....

.....

.....

ADDRESS OF WITNESS

.....

OCCUPATION OF WITNESS

LEISURE & ENVIRONMENT COMMITTEE **22 SEPTEMBER 2020**

LEISURE & ENVIRONMENT REVENUE AND CAPITAL FORECAST OUTTURN REPORT TO 31 MARCH 2021 AS AT 31 JULY 2020

1.0 Purpose of Report

1.1 This report compares the Revised Budgets for the period ending 31 March 2021 with the Projected Outturn forecast for the period, based on meetings with Financial Services staff and the appropriate Business Manager. These are based on four months' performance information on the Council's revenue and capital budgets, including:-

- General Fund (GF) Revenue
- Capital Programme

1.2 It was requested by Members at the Policy & Finance Committee during February 2020 that reports were presented to individual Committees, for noting, for them to understand the financial position of their Committee.

2.0 Background Information

2.1 Attached is the Policy & Finance report to be tabled at 24 September Committee which details the forecast financial position to 31 March 2021 of the Council as at 31 July 2020.

2.2 The current position for the Council is an unfavourable variance of circa £0.574m-£0.774m. This is prior to any return funding from the Nottinghamshire Business Rates Pool, for which S151 Officers across the County are working to review the position.

2.3 The forecast outturn position for the Leisure & Environment Committee is an unfavourable variance of £0.185m. The main reasons for this variance are attached as **Appendix A** to the attached Policy and Finance Report.

2.4 It should be noted that this position is still an indication of the anticipated outturn position, and officers continue to work throughout the year revising their forecasts. Further forecast reports closer to the financial year end will give a more accurate assessment of the outturn position.

3.0 Financial Implications (FIN20-21/9993)

3.1 The financial implications are all contained within the report to Policy & Finance Committee 24 September which is attached to this report.

4.0 RECOMMENDATION

That the contents of the report be noted.

Reason for Recommendation

To inform Members of the proposed forecast outturn position for Leisure & Environment Committee as at 31 July 2020.

Background Papers

Nil

For further information please contact Nick Wilson, Business Manager – Financial Services on Ext. 5317

Sanjiv Kohli
Deputy Chief Executive, Director - Resources and Section 151 Officer

POLICY & FINANCE COMMITTEE
24 SEPTEMBER 2020**GENERAL FUND, HOUSING REVENUE ACCOUNT (HRA) & CAPITAL PROJECTED OUTTURN REPORT**
TO 31 MARCH 2021 AS AT 31 JULY 2020**1.0 Purpose of Report**

1.1 This report compares the Revised Budgets for the period ending 31 March 2021 with the Projected Outturn forecast for the period, based on meetings with Financial Services staff and the appropriate Business Manager. These are based on four months' performance information on the Council's revenue and capital budgets, including:-

- General Fund (GF) Revenue
- Housing Revenue Account (HRA)
- Capital Programme

2.0 Background Information

2.1 The Council's Constitution states that the Section 151 Officer shall present to the Policy & Finance Committee, at least twice in each financial year, budgetary control statements showing performance against the approved estimates of revenue expenditure and income. The appropriate Chief Officer will report on any major variances from planned budget performance.

2.2 Where it appears that the amount included under any head of the approved budget is likely to be exceeded or the budgeted amount of income under any head is unlikely to be reached then Business Managers are required to find savings elsewhere in their budget. In circumstances where savings cannot be identified it will be necessary to consult with the Section 151 Officer and ultimately take a report to the Policy & Finance Committee.

3.0 Proposals**Overview of General Fund Revenue Projected Outturn for 2020/21**

3.1 The accounts show a projected unfavourable variance against the revised budget of £1.310m on Service budgets, with an overall unfavourable variance of £1.174m as shown in the table below:

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Economic Development	2.139	2.093	2.820	0.727
Homes & Communities	2.700	3.218	3.212	(0.006)
Leisure & Environment	5.119	5.120	5.305	0.185
Policy & Finance	4.563	4.919	5.323	0.404
Net Cost of Services	14.521	15.350	16.660	1.310
Other Operating Expenditure	3.904	3.857	25.162	21.305
Finance & Investment Income/Expenditure	(0.009)	(0.183)	0.038	0.221

Taxation & Non-Specific Grant Income	(19.714)	(20.012)	(41.674)	(21.662)
Net Cost of Council Expenditure	(1.298)	(0.988)	0.186	1.174
Transfer to/(from) Usable Reserves	3.082	2.772	2.772	0.000
Transfer to/(from) Unusable Reserves	(1.784)	(1.784)	(1.784)	0.000
Transfer to/(from) General Reserves	0.000	0.000	(1.174)	(1.174)

- 3.2 As can be seen from the table above there are variances projected in service areas and other budgets. Looking at the underlying trends, the detailed variances by Committee can be further summarised and these are shown at **Appendix A**.
- 3.3 Service Budgets managed by the Business Managers is currently predicting an unfavourable variance of £1.310m and represents 8.5% of the total service budgets.
- 3.4 The main reason for the projected unfavourable variance of £1.310m against service budgets is because the council predicts to receive gross £1.525m less income from sales, fees and charges than budgeted for. To mitigate against this, the Government has introduced a scheme to compensate councils for *“relevant losses, over and above the first 5% of planned income from sales, fees and charges.”* The compensation would equate to 75% of the lost income after a 5% deductible subject to further deductions for other funding received (i.e. income in relation to officers that have been furloughed). The scheme mandates that prior to claiming relevant costs associated with the service must be netted off the budgeted fees and charges income. Guidance around claiming has been received and officers are working towards calculating the impact of this. Based on initial estimates of receiving between £0.400m and £0.600m in compensation for lost sales, fees and charges income, this would reduce the projected overall unfavourable variance of £1.174m to between £0.774m and £0.574m. Should this variance occur, this would need to be funded from reserves. This would be funded from the MTFP reserve of which there is currently sufficient balance to meet this shortfall. This would then impact on the Councils’ current approved MTFP. This will be revised when further information is disclosed regarding the impact of the national Comprehensive Spending Review.

	£'m
Projected overall unfavourable variance (before compensation)	1.174
Estimated compensation for lost sales, fees and charges income	(0.400) - (0.600)
Projected overall unfavourable variance (after compensation)	0.774 – 0.574

- 3.5 Additionally to this, in relation to Business Rates, there is potential for a return of funding from the Nottinghamshire Business Rates Pool. At this stage it cannot be quantified as to the size of this return, as this is based on the performance of all Nottinghamshire Districts. Officers across Nottinghamshire are working to review the position, albeit this will be difficult to predict as the landscape for businesses is currently so volatile. Nottinghamshire S151 officers keep this under review during the year to assess the latest information collated across the County. This will then be fed into future forecast outturn reports.

- 3.6 Non-Service expenditure is expected to have a favourable variance against the revised budget by £0.135m.
- 3.7 The large variances against Other Operating Expenditure and Taxation and Non-Specific Grant Income primarily relate to the council's distribution in the 2020-21 financial year of its £28.752m of Small Business Grant, Retail, Hospitality and Leisure Grant and Local Authority Discretionary Grant allocation. The council distributed £7.450m of this £28.752m in 2019-20, and most of the remainder in April 2020. The £0.221m variance against Finance & Investment Income/Expenditure relates to less than budgeted investment interest income.
- 3.8 It should be noted that this position is still an indication of the anticipated outturn position, and officers continue to work throughout the year revising their forecasts. Further forecast reports closer to the financial year end will give a more accurate assessment of the outturn position.
- 3.9 The council has received £1.483m in funding from the Ministry of Housing, Communities & Local Government (MHCLG) for additional costs as a result of COVID-19. Spend paid for from this funding has been borne centrally rather than by individual services, to ensure that additional costs as a result of COVID-19 can be itemised separately from spend on mainstream services.
- 3.10 **Appendix B** shows the current allocation of this budget. As can be seen, all but £0.027m has been allocated to specific expenditure. This therefore allows scope for further expenditure to be approved for spend as a result of COVID-19 where the need arises.
- 3.11 Updated versions of **Appendix B** will be included in subsequent quarterly forecast outturn reports presented to this Committee. These will include projected spend for the year against each line with a funding allocation.
- 3.12 The council has also been granted, through section 31 grant, monies to support the Collection Fund in relation to the Extended Retail Discount. Businesses within the Retail, Hospitality and Leisure sector do not need to pay any non-domestic rates (NDR, or 'business rates') for 2020/21 due to this relief. Currently the relief amounts to £18.264m. The impact of this is that there will be a large deficit in the Collection Fund at the end of this financial year as business rates invoices that would usually be raised to these businesses will not now be raised into the Collection Fund. However, this is offset by the s31 grant that has been received, but due to accounting regulations the s31 grant is receivable into the General Fund rather than the Collection Fund.
- 3.13 As a result of this, it is anticipated that there will be a large surplus declared on the GF, but this will need to be transferred into reserves in order to meet the shortfall in the Collection Fund for the following year. It has been announced that losses on the Collection Fund will be able to be spread over a three year period, albeit the deficit arising from the extended retail relief will not qualify for spreading and it will only be real losses arising from closure of businesses. Officers are still awaiting guidance from CIPFA who are liaising with MHCLG regarding the mechanics of how this will work in practice.

- 3.14 Analysis from Council Tax and NNDR show that there are movements between the current year and 2019/20 in terms of collection rates. NNDR has seen a slight increase in the collection rate as the proportion of the net debit (adjusted for the additional reliefs) that was outstanding at 31st July was 61.92% as opposed to 63.35% at the same stage last year. Council Tax is showing a slight decline in the collection rate as the proportion of the net debit that outstanding at 31st July was 66.11% as opposed to 65.52% at the same stage last year.

Overview of Projected Housing Revenue Account (HRA) Outturn for 2020/21

- 3.15 With reference to the 'Variance' column in the table below, the accounts show a projected favourable variance against the approved budget of £1.564m for the HRA as follows:

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Expenditure	17.508	17.382	16.108	(1.274)
Income	(24.255)	(24.128)	(24.418)	(0.290)
Net Cost of HRA Services	(6.746)	(6.746)	(8.310)	(1.564)
Other Operating Expenditure	0.489	0.489	0.489	0.000
Finance & Investment Income/Expenditure	3.789	3.789	3.789	0.000
Taxation & Non Specific Grant Income	(0.520)	(0.520)	(0.520)	0.000
(Surplus)/Deficit on HRA Services	(2.989)	(2.989)	(4.553)	(1.564)
Movements in Reserves				
Transfer to/(from) Usable Reserves	1.628	1.628	2.258	0.630
Transfer to/(from) Unusable Reserves	(6.581)	(6.581)	(6.581)	0.000
Transfer to/(from) Major Repairs Reserve	7.942	7.942	8.876	0.934
Total	0.000	0.000	0.000	0.000

- 3.16 This is the first full financial year in which the budget integrates all expenditure and income that Newark and Sherwood Homes Ltd used to formally manage on the council's behalf.

- 3.17 Since February 2020, officers have been working with budget holders in the Housing, Health and Wellbeing directorate to assess the resources required to manage the council's social housing stock.
- 3.18 A report by Savills in 2018/19 identified the potential for the council to realise £0.950m in savings from reintegrating social housing management services back in-house. Officers have currently identified £1.053m in savings through the deletion of vacant posts and surplus resources within services. £0.332m of this has been reinvested, largely in new posts such as the Director of Housing, Health and Wellbeing's post and the Business Manager posts to be appointed to.
- 3.19 An annual £0.721m is therefore available from savings generated by the reintegration that can be reinvested into the council's social housing management services. It is anticipated that some of these savings will be used in order to strengthen front line services through a restructure that is currently being drafted and costed. It is currently assumed that another £0.091m will be used during the remainder of this financial year.
- 3.20 Due to the current pandemic, the plans identified within the report tabled at the Policy and Finance Committee during April 2020 have not yet been realised and hence the £0.721 above remains unallocated. Proposals will be put forward in terms of the reinvestment of the efficiencies, to the Homes and Communities Committee for consideration and approval. These proposals will be a mixture between reoccurring investment and one off initiatives. Once agreed these will be built into the base HRA financial Business Plan.
- 3.21 The projected outturn for the year is a net transfer to reserves of £1.564m. The prudent level of reserve set on the HRA working balance is still £2m which would remain constant. As proposed in the table above, the favourable variance identified from the efficiencies generated as a result of reintegrating the housing service, would be allocated into a strategic revenue reserve with the balance of the surplus then to be transferred into the Major Repairs Reserve to finance future capital expenditure.
- 3.22 The main reasons for the projected favourable outturn variance of £1.564m are:

	£'m
Services: a significant number of posts temporarily vacant	(0.506)
Savings: minimal use of the savings identified from bringing housing management services back into the council	(0.630)
Anticipated additional rental income	(0.404)
Other small variances	(0.024)
Total	(1.564)

Overview of Projected Capital Outturn 2020/21

- 3.23 The table below summarises the position for the Capital Programme to the end of July 2020 and is split between General Fund and Housing Revenue Account.

	Revised Approved Budget £'m	Revised budget updated for Approval £'m	Actual Spend to July 2020 £'m	Forecast Outturn £'m
General Fund	37.498	31.517	0.816	31.517

HRA	26.748	25.248	1.219	24.752
Total	64.246	56.765	2.035	56.269

- 3.24 Actual spend to the end of June 2020 was only 1.5% of the revised budget at the time and for the same period in the previous financial year, this was 26%, therefore the COVID-19 lockdown period has had an impact on Capital expenditure. However, during July, a further £1.143m was spent, so whilst this is still low compared to revised budget (3.6%) expenditure is picking up at pace.
- 3.25 Overall the forecast outturn position is anticipated to be a favourable variance of £0.496m. Due to the current pandemic, the HRA investment programme is anticipated not to utilise its budget allocation at this time. Officers will keep this under review and future forecast outturn reports will revise this.
- 3.26 As projects are developed and spending commitments are made, budget requirements can change. It is a requirement that Policy & Finance Committee approve all variations to the Capital Programme. Following the meeting of 25 June 2020, the total approved budget was £64.246m. The additions and amendments that now require approval are detailed in **Appendix C** and summarised as follows:

Additions/Reductions	£0.046m
Reprofiles	-£7.527m
Total	-£7.481m

- 3.27 If these variations are approved, then the revised budget will be reduced to £56.765. A more detailed breakdown at scheme level, including some comments on projects progress, can be found at **Appendices D** (General Fund) and **E** (HRA).

Capital Programme Resources

- 3.28 The Capital resources available to the Council are not static. Capital receipts are generated throughout the year, additional grants and contributions are paid to the Council, and borrowing may be increased to fund some projects.
- 3.29 In summary, the forecast outturn of £56.269m (taking account of the current anticipated forecast outturn position) will be financed as follows, with every attempt to minimise the impact on the Council's revenue budget

	General Fund £'m	HRA £'m	Total £'m
Borrowing	19.060	7.599	26.659
External Grants & Contributions	6.389	0.779	7.168
Capital Receipts	0.974	4.853	5.827
Community Infrastructure Levy	0.620	0	0.620
Revenue Contributions	4.474	11.521	15.995
Total	<u>31.517</u>	<u>24.752</u>	<u>56.269</u>

Capital Receipts

- 3.30 The Council has been successful in securing a number of capital receipts for both general fund and HRA in previous years, and continues to do so. The current level of capital receipts is detailed in the table below:

	General Fund £'m	HRA Receipts £'m	HRA 1-4-1 Receipts £'m	Total £'m
Balance at 1st April 2020	1.209	2.440	1.805	5.454
Received up to the end of July 2020	0.000	0.503	0.216	0.719
Estimated receipts for remainder of the financial year	0.000	0.183	0.572	0.755
Approved for financing	0.974	2.710	2.593	6.277
Available Capital receipts balance at 31 March 2021	0.235	0.416	0.000	0.651
Estimated Receipts 2021/22 - 2023/24	2.350	2.232	2.437	7.019
Approved for Financing 2021/22 - 2023/24	0.233	2.115	1.646	3.994
Estimated Uncommitted Balance	2.352	0.533	0.791	3.676

- 3.31 The Right-to-Buy (RTB) receipts for Replacement Homes (known as 1-4-1 Receipts) are retained through a RTB agreement. Under the terms of that agreement, the RTB receipts have to be spent on new supply of affordable housing within 3 years of arising, or have to be returned to Government with penalty interest applied. The Ministry of Housing, Communities & Local Government (MHCLG) wrote to the council inviting it to enter in to an agreement to make it easier to fulfil the conditions, recognising that the COVID-19 crisis has halted or slowed down development. The council now has an additional six months (until 31 December 2020) to catch up with spending plans.

4.0 Financial Implications (FIN20-21/1512)

- 4.1 All of the financial implications are set out in the body of the report.
- 4.2 As per paragraph 3.14 the HRA is currently predicting an additional transfer of £1.564m to the Major Repairs Reserve.
- 4.3 With regard to the General Fund revenue outturn, the unfavourable variance of between £0.574m and £0.774m represents a negative variance of between 3% and 4% on the overall General Fund budget.
- 4.4 With regard to capital, any savings on projects will be assessed and used to meet additional demands, or to fund the Council's Capital Programme in future years.

5.0 RECOMMENDATIONS that:

- (a) the General Fund projected unfavourable outturn variance of between £0.574 and £0.774 be noted;

- (b) the Housing Revenue Account projected favourable outturn variance of £1.564m be noted;**
- (c) the variations to the Capital Programme at Appendix D be approved;**
- (d) the Capital Programme projected outturn and financing of £56.269m be noted;**

Reason for Recommendation

To update Members with the forecast outturn position for the 2020/21 financial year.

Background Papers General Fund Monitoring Reports to 31 July 2020
 Capital Financing Monitoring Reports to 31 July 2020

For further information please contact: Nick Wilson, Business Manager - Financial Services on Ext. 5317; Mohammed Sarodia, Assistant Business Manager - Financial Services on Ext. 5537; or Jenna Norton, Accountant on Ext. 5327

Sanjiv Kohli
Deputy Chief Executive, Director of Resources and Section 151 Officer

General Fund (GF) Revenue Outturn Variance Analysis by Committee as at 31 July 2020

Favourable variances are bracketed and in red - £(0.123)m. Unfavourable variances are in black - £0.123m.

Economic Development - £0.728m	£'m
Newark Civil War Centre (NCWC) & Palace Theatre: largely due to reduced net income (Coronavirus-related)	0.236
Land Charges: reduced income (Coronavirus-related)	0.043
Vicar Water Park/Sconce & Devon Park: reduced events and Rumbles Catering income (Coronavirus-related)	0.028
Growth Technical Support: vacant post	(0.030)
Development Management: vacant posts and additional income expected from planning applications	(0.204)
Planning Policy: delayed implementation of restructure	(0.023)
Newark Beacon: reduced income, such as from catering, hire charges and rents (Coronavirus-related)	0.099
Buttermarket: three-month rent reductions negotiated by tenants (Coronavirus-related)	0.034
Economic Growth: vacant support officer post and Business Manager began post in June 2020	(0.018)
Former M&S Building: Business Rates applicable for the year due to change in budgeted assumptions	0.081
Parking Services Admin: change in budgeted staffing assumptions	(0.012)
Surface Car Parks Newark: reduced income, mainly because fees waived on site (Coronavirus-related)	0.509
Street Scene Grounds Maintenance: income from government furlough scheme	(0.026)
Other small variances	0.010
Total	0.727

Homes & Communities - (£0.006m)	£'m
Private Sector Speech Call: increased number of customers using services	(0.017)
CCTV: reduced income because of customers disputing invoices raised	0.011
Total	(0.006)

Leisure & Environment - £0.185m	£'m
Domestic Refuse: income from government furlough scheme	(0.012)
Domestic Refuse: greater than expected increase in number of garden waste collection customers	(0.064)
Domestic Refuse: reduced provision of household bulky waste service and temporary reduction in price charged	0.015
Newark Livestock Market: reduced income due to financial performance of old tenant in 2019-20 worse than expected and lower rent anticipated to be charged to new tenant	0.245
Other small variances	0.001
Total	0.185

Policy & Finance - £0.405m	£'m
Bank Charges: increased number of debit and credit card transactions	0.013
Council Tax: reduced summons income, as courts currently closed (Coronavirus-related)	0.044
Rent Allowances/Rent Rebates	0.032
Revenues & Benefits: reduced staffing spend, because of vacancies and secondments	(0.045)
Castle House: reduced occupancy of building by external clients and staff car park (Coronavirus-related)	0.076
Corporate Property: vacant business manager and assistant business manager posts	(0.115)
£400,000 saving budgeted for in-year vacancies council-wide (3.5% of total salaries plus oncosts budget)	0.400
Other small variances	(0.001)
Total	0.404

	1.310
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Appendix B

Budgeted 2020/21 use of £1.483m Coronavirus-related government grants

Service	Budgeted use of £1.483m (£m)
Contribution towards Lorry Park Showers	0.035
Additional costs for Waste Management	0.205
Additional costs for Revenues and Benefits	0.012
Rough sleepers	0.010
ICT upgrades	0.009
Various safety checks	0.011
Hand wash & wipes	0.021
Face masks	0.001
Signs	0.004
Miscellaneous	0.005
Additional cleaning	0.062
Reintegration to Castle House for officers information pack	0.001
Letter to residents within the District that were shielding	0.008
Queue barriers	0.001
Sneeze screens	0.019
Additional security	0.016
Additional Risk assessments	0.014
Void HRA properties	0.012
Beacon drop-in centre	0.005
Hire of vehicles	0.018
Temperature equipment	0.004
Humanitarian Assistance Response Team (HART)	0.025
Reopening high street Grant	0.025
Working from home audit mitigations	0.075
Contribution to Active4Today	0.490
Air handling unit	0.001
Banners/communications materials	0.002
Post-payment assurance work re: Business Grants	0.004
Allocation towards GF bad debt provision	0.100
Allocation towards HRA bad debt provision	0.100
Unallocated	0.027
Contribution towards service unfavourable variance	0.160
Total	1.483

General Fund Additions

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
TA3286	Technology Investment	-0.093	See below reprofile re Telephony. Reduce budget down from £145k to £52.5k)
TC3130	Lorry Park Shower Upgrade	0.030	As per Urgency item agreed on 6/7 August 2020
TF6011	Mandatory Disabled Facility Grants	-0.091	Reduce to reflect level of spend confirmed by Better Care Fund
TF6012	Discretionary Disabled Facility Grants	0.092	Increase to reflect level of spend confirmed by Better Care Fund
TF6807	Warm Homes on Prescription	0.107	Increase to reflect level of spend confirmed by Better Care Fund
Total General Fund Additions/Reductions		0.046	
Total Additional/Reductions		0.046	

General Fund - Reprofiting

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
TA3286	Technology Investment	0.145	Bring budget forward from 2022/23 regarding telephony
TE3268	Southern Link Road Contribution	-5.667	Reprofile budget to £2m in 2021/22 £9m in 2022/23
TF3228	Homless Hostel	-0.505	Not expecting to spend in 20/21, move to 2021/22
Total General Fund Re profiling		-6.027	

HRA - Reprofiting

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
SA1060	Phase 3	-3.549	£2.049 Phase 3 of the development programme is now being grouped into Clusters and £1.5m moved to 2021/22 to take
SA1061	Phase 3 Cluster 1	0.455	Phase 3 Cluster 1 budget from above for 4 sites, 8 units
SA1062	Phase 3 Cluster 2	1.594	Phase 3 Cluster 1 budget from above for 4 sites, 9 units
Total HRA Re profiling		-1.500	
Total Re profiling		-7.527	
Total Variations		-7.481	

General Fund - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 26.06.20)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TB6148	Lorry Carpark Extension	R Churchill	0	0	-2,672	0	2,672	0	0	
TC3130	Lorry Park Shower Upgrade	R Churchill	15,000	45,400	0	0	45,400	45,400	0	07.08.20 urgency item during August to increase the budget in order to provide additional showers to make site COVID-secure.
TC3131	Extension to London Road Car Park	B Rawlinson	107,407	107,407	0	0	107,407	107,407	0	07.08.20 scheme currently on hold.
TC3134	Works to SFACC	R Churchill	23,560	23,560	-44,475	30,179	37,856	23,560	0	
TC3135	Works to Buttermarket	P Preece	870,053	870,053	43,568	87,408	739,077	870,053	0	07.08.20 Ground Floor work to be completed by the end of October. Then revisit First Floor PID.
TA3053	Museum Improvements	C Coulton-Jones	211,808	211,808	0	62,967	148,842	211,808	0	
TA3056	NCWC Tudor Hall	C Coulton-Jones	200,000	200,000	0	0	200,000	200,000	0	07.08.20 currently obtaining quotes.
TA3097	Yorke Drive Regeneration and Community Facility	C Clarkson	130,000	130,000	0	0	130,000	130,000	0	
TB3154	Castle Gatehouse Project	C Coulton-Jones	4,025,150	4,025,150	0	967	4,024,183	4,025,150	0	
TB6161	S106 Vicar Water Play Area Improvements	A Kirk	38,296	38,296	38,296	0	0	38,296	0	07.08.20 scheme nearly complete.
TE3268	Southern Link Road Contribution	M Lamb	5,666,666	0	0	0	0	0	0	
TI1001	Joesph Whittaker School Contribution	M Norton	620,000	620,000	0	0	620,000	620,000	0	
	Economic Development Committee		11,907,940	6,271,674	34,717	181,521	6,055,436	6,271,674	0	
TA3286	Information Technology Investment	D Richardson	490,830	543,330	214,927	134,096	194,307	543,330	0	
TF2000	CCTV Replacement Programme	A Batty	140,500	140,500	0	0	140,500	140,500	0	
TF3221	Southwell Flood Mitigation	A Batty	453,421	453,421	0	0	453,421	453,421	0	
TF3227	Lowdham Flood Alleviation	A Batty	200,000	200,000	0	0	200,000	200,000	0	
TF3228	Homeless Hostel	L Monger	1,505,000	1,000,000	0	53,146	946,855	1,000,000	0	07.08.20 need to reprofile budget. went our for expression of interest in April and wasn't a great response - so further work to be carried out. start on site could be early 2021.
TF6011	Private Sector Disabled Facilities Grants	A Batty	852,661	761,782	35,048	4,451	722,283	761,782	0	
TF6012	Discretionary DFG	A Batty	47,660	140,000	31,027	0	108,973	140,000	0	

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 26.06.20)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TF6807	Warm Homes on Prescription	L Monger	73,253	179,939	2,611	9,613	167,716	179,939		12.08.20 since the beginning of the financial year, only emergency work is being carried out until the recovery group approve restarting business as usual. Currently £33k committed for urgent work. Revisit the budget and potential rephasing in Q2.
TF6809	Fairholme Park (Ollerton) Conversion to Mains Gas	L Monger	97,488	97,488	0	0	97,488	97,488		12.08.20 44 Gas connections completed and home surveys delayed due to COVID but have recommenced in August. Invoices expected following completion of work.
	Homes & Communities Committee		3,860,813	3,516,460	283,613	201,306	3,031,542	3,516,460	0	
TA1215	Leisure Centre Car Park Extension	A Hardy	0	0	-5,814	5,138	676	0	0	
TA1216	Dukeries LC New Pool	A Hardy	2,928,852	2,928,852	26,331	4,915	2,897,606	2,928,852	0	07.08.20 start on site due 1.9.20.
TA1217	Southwell Leisure Centre Improvements	A Hardy	1,500,000	1,500,000	0	0	1,500,000	1,500,000	0	07.08.20 conversations are taking place with SLCT with a view to an update report to P&F. Feasibility and business case to do.
TA1219	S106 - Blidworth LC Steam & Sauna Facility	R Churchill	23,754	23,754	16,504	0	7,250	23,754	0	07.08.20 Scheme is complete, snags to do.
TB2253	Vehicles & Plant (NSDC)	A Kirk	912,410	912,410	0	70,958	841,452	912,410	0	07.08.20 most of the vehicles in the replacement programme are on order.
TB6153	Cricket Facilities Kelham Rd - S106	A Hardy	0	0	0	0	0	0	0	
TB6154	S106 Community Facilities Provision Community & Activity Village	A Hardy	156,183	156,183	0	0	156,183	156,183	0	07.08.20 payable on commencement of phase due, due October 20.
TB6162	Loan to Newark Academy	A Hardy	240,000	240,000	0	0	240,000	240,000	0	07.08.20 school unable to accept the loan. Need to seek alternative.
TC3136	Climate Change	M Finch	30,000	30,000	0	0	30,000	30,000	0	
TC3137	Brunel Drive Door Entry System	A Kirk	42,227	42,227	16,270	12,484	13,473	42,227	0	07.08.20 fire alarms still to be complete, will be complete by early September.
	Leisure & Environment Committee		5,833,426	5,833,426	53,292	93,495	5,686,639	5,833,426	0	
TC1000	New Council Offices	R Churchill	286,025	286,025	129,045	15,375	141,605	286,025	0	07.08.20 final retention release due during August.
TC2000	Land Acquisition	R Churchill	1,090,760	1,090,760	0	0	1,090,760	1,090,760	0	07.08.20 relevant deals are being progressed.
TC3016	Legionella Remedial Works	R Churchill	133,412	133,412	22,921	58,221	52,270	133,412	0	07.08.20 scheme due for completion by 1st October
TC3138	Lord Hawke Way Remedial Work & Bond	E Langtry	384,150	384,150	0	0	384,150	384,150	0	
TG1002	Contribution to Robin Hood Hotel	R Churchill	2,591,610	2,591,610	292,606	0	2,299,004	2,591,610	0	07.08.20 back in site now following lockdown. Due to reach PC in Feb 2021

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 26.06.20)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TG1003	Loan to Arkwood Developments	N Wilson	11,409,849	11,409,849	0	0	11,409,849	11,409,849	0	
	Policy & Finance Committee		15,895,806	15,895,806	444,573	73,595	15,377,638	15,895,806	0	
TOTALS			37,497,986	31,517,367	816,194	549,917	30,151,255	31,517,367	0	

APPENDIX E

HRA - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 2021 (Following P&F 26.06.20)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
PROPERTY INVESTMENT PROGRAMME										
S91100	ROOF REPLACEMENTS	A Hayward	0	0	0	0.00	0	0	0	
S91115	Roof Replacement Works	A Hayward	200,000	200,000	-5,143	205,143.03	0	200,000	0	04.08.20 starting work end of Aug complete by Dec 20
S91116	Flat Roof Replacement Wrk	A Hayward	200,000	200,000	52,021	147,978.86	0	200,000	0	04.08.20 47 flat roof replacements completed to date.
S711	ROOF REPLACEMENTS		400,000	400,000	46,878	353,121.89	0	400,000	0	
S91200	KITCHEN & BATHROOM CONVERSIONS	A Tutty	0	0	0	0.00	0	0	0	
S91218	Kit & Bathrooms	A Tutty	1,500,000	1,500,000	-25,653	917,054.46	108,598	1,000,000	-500,000	04.08.20 work restarted in July. Not expecting to spend the full budget due to delay in starting but this is revisited every month.
S712	KITCHEN & BATHROOM CONVERSIONS		1,500,000	1,500,000	-25,653	917,054.46	108,598	1,000,000	-500,000	
S91300	EXTERNAL FABRIC	G Bruce	100,000	100,000	0	0.00	100,000	100,000	0	
S91336	External Fabric Works	G Bruce	200,000	200,000	-2,592	200,000.00	2,592	200,000	0	04.08.20 contract awarded. Start work mid August.
S713	EXTERNAL FABRIC		300,000	300,000	-2,592	200,000.00	102,592	300,000	0	
S91400	DOORS & WINDOWS	D Bamford	0	0	0	0.00	0	0	0	
S91412	Doors & Windows Works	D Bamford	170,000	170,000	-3,739	169,132.26	4,607	170,000	0	04.08.20 57 properties due to be completed in this year.
S714	DOORS & WINDOWS		170,000	170,000	-3,739	169,132.26	4,607	170,000	0	
S91500	OTHER STRUCTURAL	G Bruce	50,000	50,000	4,756	16,360.00	28,884	50,000	-0	
S91511	Walls Re-Rendering	M Carman	0	0	3,906	0.00	0	3,906	3,906	
S91534	Gutter Repairs	A Hayward	50,000	50,000	0	0.00	50,000	50,000	0	
S715	OTHER STRUCTURAL		100,000	100,000	8,662	16,360.00	78,884	103,906	3,906	
S93100	ELECTRICAL	A Hayward	0	0	0	0.00	0	0	0	
S93115	Rewires	A Hayward	600,000	600,000	-14,174	579,034.93	35,139	600,000	-0	04.08.20 8 rewires following start in July. Expected to spend full budget.
S731	ELECTRICAL		600,000	600,000	-14,174	579,034.93	35,139	600,000	-0	
S93500	HEATING	D Bamford	0	0	0	0.00	0	0	0	
S93510	Heating/Boilers	D Bamford	550,000	550,000	25,015	466,556.42	58,428	550,000	-0	04.08.20 147 properties currently with the contractor.
S735	HEATING		550,000	550,000	25,015	466,556.42	58,428	550,000	-0	
S93600	ENERGY EFFICIENCY	D Bamford	0	0	0	0.00	0	0	0	
S93624	EE Boilers	D Bamford	150,000	150,000	16,378	0.00	133,622	150,000	-0	
S736	ENERGY EFFICIENCY		150,000	150,000	16,378	0.00	133,622	150,000	-0	
S95100	GARAGE FORECOURTS	A Hayward	0	0	0	0.00	0	0	0	
S95109	Garages	A Hayward	25,000	25,000	0	0.00	25,000	25,000	0	
S95115	Resurfacing Works	A Hayward	75,000	75,000	74,956	0.00	44	75,000	-0	04.08.20 scheme complete
S751	GARAGE FORECOURTS		100,000	100,000	74,956	0.00	25,044	100,000	-0	
S95200	ENVIRONMENTAL WORKS	M Carman	150,000	150,000	0	0.00	150,000	150,000	0	
S95203	Car Parking Schemes	D Roxburgh	250,000	250,000	0	0.00	250,000	250,000	0	04.08.20 Identified sites as part of the new build programme to satisfy planning conditions.

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 26.06.20)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
S95250	Communal Lighting	M Carman	20,000	20,000	0	0.00	20,000	20,000	0	
S95251	Door Entry Systems	D Bamford	0	0	0	0.00	0	0	0	
S95252	Flood Defence Systems	D Bamford	10,000	10,000	0	0.00	10,000	10,000	0	
S95253	Play Areas	L Powell	20,000	20,000	0	0.00	20,000	20,000	0	04.08.20 Spend due to occur at the back end of the financial year. Agreed to add additional equipment at Cherry Holt.
S95254	Estate Remodelling	D Roxburgh	65,000	65,000	9,218	19,987.00	31,959	61,164	-3,836	
S95291	Parking Works	D Roxburgh	0	0	0	0.00	0	0	0	
S95293	Fencing Works	G Bruce	0	0	3,836	0.00	0	3,836	3,836	
S752	ENVIRONMENTAL WORKS		515,000	515,000	13,054	19,987.00	481,959	515,000	0	
S97100	ASBESTOS	A Hayward	0	0	0	0.00	0	0	0	
S97115	Asbestos Surveys	A Hayward	30,000	30,000	1,593	27,800.00	608	30,001	1	04.08.20 surveys continued through lockdown due to essential services
S97116	Asbestos Removal	A Hayward	20,000	20,000	311	11,522.35	8,167	20,000	-0	04.08.20 removals started in May.
S771	ASBESTOS		50,000	50,000	1,903	39,322.35	8,775	50,000	0	
S97200	FIRE SAFETY	M Carman	50,000	50,000	1,560	5,984.00	42,456	50,000	0	
S97218	Fire Risk Assessments	M Carman	150,000	150,000	0	0.00	150,000	150,000	0	04.08.20 works completed on receipt of risk assessment reports.
S97221	Fire Doors Various Locations	D Bamford	0	0	0	0.00		0	0	
S772	FIRE SAFETY		200,000	200,000	1,560	5,984.00	192,456	200,000	0	
S97300	DDA IMPROVEMENTS	L Powell	20,000	20,000	6,400	11,000.00	2,600	20,000	-0	04.08.20 Completed work at Burton Court. Accessible Kitchens being carried out at Community Centres. All budget will be spent.
S773	DDA IMPROVEMENTS		20,000	20,000	6,400	11,000.00	2,600	20,000	-0	
S97400	DISABLED ADAPTATIONS	L Powell	0	0	0	0.00	0	0	0	
S97416	Major Adaptations	L Powell	440,000	440,000	14,639	396,064.32	29,296	440,000	-0	04.08.20 only external works carried out due to lockdown. It is expected that this budget will be fully spent due to the level of referrals.
S97417	Minor Adaptations	L Powell	30,000	30,000	0	26,319.50	3,680	30,000	-0	04.08.20 until the end July contractor was only carrying our emergency work. Still expect to fully spend budget due to referrals.
S97418	Adaptation Stair Lift/Ho	L Powell	30,000	30,000	16,606	11,951.50	1,442	30,000	-0	04.08.20 committed full budget.
S774	DISABLED ADAPTATIONS		500,000	500,000	31,245	434,335.32	34,419	500,000	-0	
S97500	LEGIONELLA	M Carman	30,000	30,000	0	13,833.06	16,167	30,000	0	04.08.20 Surveys due to start again during August. Works will be carried out following reports.
S791	UNALLOCATED FUNDING		30,000	30,000	0	13,833.06	16,167	30,000	0	
S99100	PROPERTY INVESTMENT CONTINGENCY	M Carman	50,000	50,000	0	0.00	50,000	50,000	0	
S99101	Housing Capital Fees		378,800	378,800	0	0.00	378,800	378,800	0	
S791	UNALLOCATED FUNDING		428,800	428,800	0	0.00	428,800	428,800	0	
	PROPERTY INVESTMENT		5,613,800	5,613,800	179,894	3,225,722	1,712,090	5,117,705	-496,095	
AFFORDABLE HOUSING										
SA1030	HRA Site Development	Kevin Shutt	0	0	0	1,741	-1,741	-0	-0	

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 26.06.20)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
SA1031	Site Acquisition (Inc RTB)	Kevin Shutt / Jill Sanderson	2,038,529	2,038,529	0	750	2,037,779	2,038,529	0	10.08.20 Three sites currently being investigated.
SA1032	New Build Programme	Kevin Shutt	0	0	2,600	27,392	-29,992	-0	-0	
SA1033	Estate Regeneration	Cara Clarkson	1,085,429	1,085,429	18,486	78,927	988,016	1,085,429	0	10.08.20 Heads of terms and consultants appointment to deliver enabling works agreed. Continued work to around funding.
SA1034	Former ASRA Properties	Cara Clarkson	1,074,579	1,074,579	0	0	1,074,579	1,074,579	0	10.08.20 due to delays additional consultation underway with PA tenants with a view to complete Q3.
SA1044	Phase 1 Clust 3, West	Kevin Shutt	0	0	0	0	0	0	0	
SA1047	New Build Contingency	Kevin Shutt	117,902	117,902	0	0	117,902	117,902	-0	
SA1048	Boughton Extra Care	Kevin Shutt	5,967,605	5,967,605	787,822	3,609,194	1,570,589	5,967,605	0	10.08.20 back on site but currently only at 70-80% capacity. PC due March/April 2021, then fit out early June.
SA1050	Phase 2 Cluster 1 - Coddington	Kevin Shutt	0	0	-41,885	48,314	-6,429	0	0	10.08.20 retention due September 2020
SA1051	Phase 2 Cluster 1 - 1-4-1 Coddington	Kevin Shutt	0	0	-26,657	37,156	-10,500	-0	-0	10.08.20 retention due September 2020
SA1052	Phase 2 Cluster 2 - Southwell	Kevin Shutt	0	0	-8,664	8,673	-10	-0	-0	10.08.20 retention due January 2021
SA1053	Phase 2 Cluster 3 - Hawtonville	Kevin Shutt	152,307	152,307	46,764	14,722	90,821	152,307	0	10.08.20 three sites, retention due in September, final site won't be due until 2021/22
SA1054	Phase 2 Cluster 3 - 1-4-1 Hawtonville	Kevin Shutt	-0	-0	-17,549	127,877	-110,328	-0	-0	10.08.20 retention due January 2021
SA1055	Phase 2 Cluster 4 - Sherwood	Kevin Shutt	0	0	-22,053	24,397	-2,344	0	0	10.08.20 retention due February 2021
SA1060	Phase 3	Kevin Shutt	5,399,298	3,899,298	51,423	150,974	3,696,901	3,899,298	0	10.08.20 subject to planning approval, 28 further units being progressed. In qrt 2. Sites are quite complex, causing delays compounded by COVID-19 rephase £1.5m budget into 2021/22.
SA1061	Phase 3 - Cluster 1 Stand Alone	Kevin Shutt	1,004,967	1,004,967	114,928	686,723	203,316	1,004,967	-0	10.08.20 progressing - 4 sites, 8 units 4 week extension due to lockdown. Due for completion between August and October.
SA1062	Phase 3 - Cluster 1 Various	Kevin Shutt	1,594,000	1,594,000	133,835	1,287,163	173,003	1,594,000	0	10.08.20 progressing - 4 sites, 9 units started on site in May/June. Due for completion between March/April 2021.
SA1070	Phase 4	Kevin Shutt	2,700,000	2,700,000	0	0	2,700,000	2,700,000	0	10.08.20 pre planning work on phase 4 is being carried out now.
SA1080	Phase 5	Kevin Shutt	0	0	0	0	0	0	0	10.08.20 Land acquisitions will ensure delivery of phase 5.
	SUB TOTAL AFFORDABLE HOUSING		21,134,616	19,634,616	1,039,050	6,104,004	12,491,562	19,634,616	0	
	TOTAL HOUSING REVENUE ACCOUNT		26,748,416	25,248,416	1,218,944	9,329,726	14,203,652	24,752,322	-496,094	

LEISURE AND ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

ACTIVE4TODAY – ANNUAL REPORT, 2019/20

1.0 Purpose of Report

- 1.1 This report is to update the Committee on the performance of Active4Today for the financial year ending 31 March 2020.

2.0 Background Information

- 2.1 Active4Today is the Council's wholly owned leisure company, which was created to provide leisure and sports development services on the Council's behalf. The Company has now completed its fifth year of trading and is obliged to report its annual performance to the Leisure and Environment Committee, which is responsible for setting the strategic direction of the Company.

- 2.2 The appendices to this covering report contain:

- The 2019/20 Annual Management Report provided by Active4Today (Appendix A)
- Active4Today Directors' Report and Financial Statements outlining the period of trading (Appendix B)
- Active4Today Key Performance Indicators 2019-20 (Appendix C).
- An overview of sports development activities (Appendix D)

3.0 Annual Report

- 3.1 Members will see from the annual report that the Company has once again traded positively in 2019/20. Company turnover has increased slightly by a modest 0.64% however, this should be considered positively in light of the challenges the Company encountered such as the loss of the swimming pool at the Dukeries Leisure Centre and more latterly the impact of Covid 19 which led to the closure of all sites to the public at the close of play on 17 March 2020. Accordingly, the efforts of the Company should be recognised in respect of its positive trading position despite these challenges, which were not within the control or influence of the Company.

Overview of performance

- 3.2 Leisure and 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 toward in return for a management fee. Performance is monitored through a framework agreed by Leisure and Environment Committee.
- 3.3 An overview of the Company's management performance is contained in Appendix I and the Final Accounts and Management Report for 2019-20 are attached to this report at Appendix II. Performance overall has remained reasonably favourable with only a small reduction in adult membership of 4.97% equating to a loss of 438 members across all sites. In addition, junior memberships fell by 6.06% equating to a loss of 233 memberships across

the 4 sites compared with the same period in 2019. This was in part attributable to the early onset of Covid 19 and the consequential impacts on user confidence. However, as in previous years, the Company has worked hard to retain memberships through a combination of promotions, guest passes and wider community engagement.

- 3.4 Overall visits have increased slightly across all sites, including the community leisure facilities at school sites, which are managed by the Company rising by 0.31%, an increase of 3,670 to 1,189,899 and it is estimated that a further 30,000 visits would have been achieved had the centres not closed before year end. There was modest growth in junior visits to the centres, with Over 60's age group and users from more deprived areas, which suggest that the inclusion work to engage more users to the centres is starting to improve. Although the early onset of Covid concerns from January impacted on the number of referrals from health professionals, the number of people that moved from the initial scheme onto the membership offer increased by 7.6% rising from 250 to 269 compared to the previous year.
- 3.5 An overview with narrative of the Company's 12 Key Performance Indicators (KPI's), which support the Council's Community Plan 2019-2023 is attached at Appendix IV for member consideration.

Overview of finance

- 3.6 During the period 1 April 2019 to 31 March 2020, the financial statements at Appendix II show that the Company recorded a net operating deficit of £56,788 factoring in the full management fee payable by the Council of £121,220. It should be noted, however that £224,994 was spent on repairs and renewals on the Council's Assets and £223,548 was paid to the Council in support charges. The trading position moved from a small surplus of £22,453 down to a deficit of £3,311 which is a swing of £25,764 this was due to a combination of increased VAT charges and reduced turnover.
- 3.7 It should be further noted that within the accounts the provision for pension deficit is now shown as a net liability in the Balance sheet and is in accordance with generally accepted accounting treatment. The net liability has always existed, however as the company's accounts were not subject to audit in previous years, (as the company was treated as a "small company" for the purposes of filing requirements with Companies House), the liability was not provided for in the company's accounts and was, instead, disclosed as a note to the accounts. The company, as a wholly owned subsidiary of the Council, is now required to have an audit and therefore has accounted for assets and liabilities of the pension fund on the face of the Balance Sheet. The value of the assets and liabilities will be re-valued every 3 years with the next review being undertaken this year, however, this is an accounting protocol for member information only.
- 3.8 The Company's earmarked usable reserves, as at 31 March 2020 stand at £396,819 a decrease of £3,310 on the balances held at 31 March 2019 and are allocated as follows:

Repairs and Renewals Reserve	£187,002
Repairs and Renewals Development Reserve	£70,000
Contingency Reserve	£139,817
Total Usable Reserves	£396,819

4.0 Issues for Leisure and Environment Committee

Future funding

- 4.1 Members will recall that, at the 22 January 2019 meeting of Leisure and Environment Committee, a decision was taken to review the Company's 2018/19 outturn position in order that Committee can form judgements on the management fee payable in 2019/20.
- 4.2 Members further agreed at the 19 November 2019 Leisure and Environment Committee to review the payment mechanism within the Service Contract so that there is single payment mechanism either to or from the Company, with no separate clause for sharing in the 'operating surplus of the Company. Under normal operating circumstances this approach would be appropriate, however, the onset and subsequent impact of Covid caused significant financial challenges for the Company and it was agreed by Policy and Finance Committee, under Urgent Delegation Powers, on 24 April 2020 to release the retained 50% management fee for 2019/20 and the first instalment of the management fee for 2020/21 (£60,610) and the management fee to provide strategic support to Southwell Leisure Centre Trust (£80,850) to ease cash flow and to reduce anticipated financial hardships that an extended closure would cause the Company.
- 4.3 Moving forwards it will be necessary for the Council and the Company to work collaboratively to ensure that the Company is in a position to respond positively to the challenges of the pandemic. This will enable the Company to continue to operate in a Covid-secure way until the business activity returns to something like pre-Covid levels and a level of financial stability resumes. Accordingly discussions are ongoing to work through a number of measures that will support and protect the Company's financial position which is likely to include utilisation of Company reserves, access to Government Covid support grants and additional assistance from the Council should this be necessary. Any proposal will be brought to members for further consideration.

5.0 Equalities Implications

- 5.1 There are no new equalities implications arising from this report.

6.0 Financial Implications – Ref No:-FIN20-21/4960

- 6.1 There are no budget implications for the Council contained in the report. Any future proposals will be considered when presented to the Committee.

7.0 Community Plan – Alignment to Objectives

- 7.1 The provision of the Council's high quality and accessible leisure centres makes a significant contribution to the health and wellbeing of members of the community. Specifically the role that Active4Today performs for the Council by operating the leisure centres and sports development function attracts regular users each year thereby assisting the Council in the achievement of Objective 9, 'Improve the health and wellbeing of local residents, with a particular focus on narrowing the gap in healthy life expectancy and other health outcomes'.

8.0 RECOMMENDATIONS that:

- (a) the positive performance of Active4Today in 2019/20, be noted;**
- (b) the operating agreement between the Council and the Company is under review and any significant changes to the agreement will be brought to a future meeting of the Committee;**
- (c) the impacts of Covid on the Company's performance will be closely monitored and proposals to support the Company through the pandemic will be brought to a future meeting of the Committee; and**
- (d) the proposed Key Performance Indicators reported to Leisure and Environment Committee be noted.**

Reason for Recommendations

To ensure the Company is delivering the outcomes required by the Council in the most efficient and effective way whilst recognising the impacts of the pandemic on its ability to deliver services to its customers.

Background Papers

For further information please contact Matthew Finch on Ext 5716.

Matthew Finch
Director – Communities and Environment

**LEISURE AND ENVIRONMENT COMMITTEE
MANAGEMENT REPORT**

22 SEPTEMBER 2020



1. REPORT PURPOSE

- 1.1 To provide the Leisure and Environment Committee with the 2019/2020 financial outturn position for the year.
- 1.2 To provide the Leisure and Environment Committee with the 2019/2020 final accounts for Active4Today Ltd (A4T).
- 1.3 To provide the Leisure and Environment Committee with the 2019/2020 performance outturn position for the year, which includes the sports development services overview.

2. BACKGROUND

- 2.1 On 1st June 2015, Active4Today commenced operations as a Local Authority Trading Company. The aim of the Company was to provide and deliver the indoor and outdoor leisure offer for the Council, whilst operating as an independent company, registered with Companies House. The Company has now traded for four financial years and a further 10 months, which was the first period, after the initial set-up of the Company.
- 2.2 Members will be aware, that on the evening of 17th March 2020, the operations of Active4Today were placed on hold, as a result of the Coronavirus pandemic, which began to take hold in the UK during February 2020. The operations of the Company, with the exception of the Sports Development activities, re-commenced on 25th July 2020, a closure of 18.5 weeks.
- 2.3 Up to this point, income and expenditure had been broadly in line with forecasts, although Members should note, that this year was a hard trading year, as adult membership income had begun to plateau and drop at Newark Sports and Fitness Centre and there remained no provision for swimming, within the Sherwood area of the district, after the closure of the Dukeries pool in 2017 and the agreements with South Forest and Wellow School coming to an end at the beginning of 2019. This was particularly detrimental at the Dukeries Leisure Centre, as both the adult and junior membership packages were directly affected by the removal of swimming.
- 2.4 As a result of the closure of the leisure centres during March, no income was collected for club use, pay and play activities, children's parties and general hires. Income for

memberships was collected until 31st March 2020, however, this has resulted in a month's free membership being provided, when the leisure centres re-opened.

2.5 The free month is being provided for two reasons; firstly, to retain as many members as possible and secondly, to avoid having to undertake approximately 12,000 direct debit pro rata amendments, for members who missed the last two weeks of March due to the closure.

2.6 Members will be aware that throughout 2019/2020, A4T have supported the Council with the planning of a new swimming pool at the Dukeries Leisure Centre. This has now been completed and it is expected that the development will commence on site during September 2020, with an approximate completion date of May 2021. Recently this development has also received additional finance from the Council, for the inclusion of the 'link' building, which will integrate the swimming pool with the existing dryside facility. This will provide an excellent facility when completed and should provide a much needed boost for the community, as we begin to return to normal operating procedures.

3. **INCOME AND EXPENDITURE HEADLINES 2019-2020 and FINAL ACCOUNTS 2019-2020**

3.1 Attached at Appendix I is the Final Audited Accounts for the Company and provides the Leisure and Environment Committee with information on the allocation of finance, throughout the year, 1st April 2019 to 31st March 2020.

3.2 **Salaries budgets (excluding FRS102 adjustment) *see note at 3.18**

Original Budget £	Full Year Revised Budget £	Actual £	Variance to Original Budget £
£1,987,290	£1,974,690	£1,934,013.32	-£53,276.68

3.3 The in-year variance in salaries to the original budget is £53k to the good. This is made up of a saving of approximately £9.5k in HQ; this is generally attributed to savings in the operational management budget, as new shift patterns were introduced. In addition, savings were made at NSFC, of approximately £30k, due to changes in rotas, savings in summer holiday cover and two vacancies, which were put on hold. A £4.6k saving was made on pension underspends and a £9k underspend took place on freelance staffing, mainly at NSFC, where a new class timetable was introduced, with several classes being covered by the fitness team.

3.4 **Premises budgets**

Original Budget £	Full Year Revised Budget £	Actual £	Variance to Original Budget £
£425,240	£446,350	£477,533.49	£52,293.49

- 3.5 Within this budget group, there was a variance to the original budget of £69k overspent. This was made up in the main of repairs and renewals items, which equated to an additional £70k spend on various repairs, with the majority of these at NSFC. Although the Committee were alerted to the potential increased spend on this budget since the new year, this was slightly higher than expected, due to the lateness of several invoices coming into the Company and no advanced warning of these items. This has been addressed going forwards, with new systems being put in place, so commitments can be identified against the budget earlier in the process. To support this overspend, the Company made a saving of £24k on electricity (due to savings produced by the CHP unit); however, this was off-set by an increase in gas of £9.5k. The net effect of these two items is a saving of £14.5k.

3.6 **Supplies and Services budgets (excluding FRS102 adjustment)** *see note at 3.18

Original Budget £	Full Year Revised Budget £	Actual £	Variance to Original Budget £
£711,100	£693,760	£700,428.85	-£10,671.15

- 3.7 The variance against budget of this code is £10k to the good. Within this budget heading, there has been an increase in spend on equipment and tools of £23k, which has mainly been at NSFC, where additional items of equipment have been purchased to support the income generation. In addition, there has been a £30k increase in irrecoverable VAT, which can be attributed to the increased spend on repairs and renewals, which was highlighted above. Also attributed to the repairs and renewals spend is an increase of £29k, in NSDC support costs from asset management; this was to manage the repairs and renewals programme. To off-set these increases however, the Company made savings of £5.5k on equipment maintenance, £30k on marketing, £4.5k on licences, £5k on sundry items, £2.7k on investment interest and brought forward provisions of £34k, which were unused journal creditor commitments. This equated to a net saving of £10k.

3.8 **Income**

Original Budget £	Full Year Revised Budget £	Actual £	Variance to Original Budget £
£3,048,890	£3,105,280	£3,086,373.47	-£37,483.47

- 3.9 The variance against budget on the income code is £37.5k to the good and is made up of the following areas: - £49k over achievement on other income; which is made up of £11k election income, £5k from the Newark Academy, £3k from apprentice training income and £30k, which was a proportion of the first claim from furloughed staff from the Job Retention Scheme.

- 3.10 In addition to the above, there was an over achievement of £16.5k on dryside/fitness suite income, which is made up of facility hire, dryside and fitness pay and play.
- 3.11 Finally, there was an over achievement of £10k on the children's memberships; however, this was due to the DLC achieving £61k more than expected; and this is off-set by NSFC falling short of their children's income by £51k. This is due to members from Dukeries using the Newark facilities (under their direct debit T&Cs) but paying their fees to Dukeries. This should be rectified when the new swimming pool at Ollerton is constructed. This will allow members to return to Dukeries and make extra capacity available at NSFC.
- 3.12 The above areas were however, off-set by a £38k under achievement at NSFC on the adult membership. This was noted throughout the year as the Newark site began to plateau. This was affected further in the last quarter, with income targets falling short of those expected. This may have been as a result of the early on-set of Covid-19, as the traditional busy period from January to March was significantly under its forecast; this coincided with the public awareness of Covid-19 growing and the consequences on all sectors of the economy, began to take effect.
- 3.13 **Transfers from balances**
- 3.14 In January 2019, A4T reported to the Committee that £74,740 would be required to be taken from their balances, to enable the Company to manage its cash flow and budgets for the 2019-2020 accounting year.
- 3.15 However, during the year, a number of positive income generating initiatives took place and savings across several codes were made. This resulted in an end of year position of only £3,311.28 being required from reserves. This can be seen on page 3 of the final audited accounts, which have been attached to this report. Page 3 provides the information relating to the trading profit and loss, before the pension adjustments are made; this is explained further in paragraph 3.18 below.
- 3.16 **Final Accounts 2019-2020**
- 3.17 During the year, the Committee should note that there has been a number of changes to the make-up of the Active4Today Board with; R Blaney, S Kohli, D Lloyd, J Robinson and Ms A Truswell all resigning. These Board members were subsequently replaced by S P Carlton, K F Girling, Mrs D K Johnson, M J Skinner and N A Wilson.
- 3.18 Within the accounts attached, the Committee will notice several lines, which relate to the Company's pension scheme and its large in-year deficit. The legislation which drives the accounting practices for the Company is FRS 102. This standard of accounting requires the Company to report the 'trading profit and loss account' together, with a combined

total of the two. These costs total £292k and relate to the 'defined benefit pension scheme' and this figure can be seen in the final accounts statement, creating a deficit in year of £295K. This figure and approach however, masks the actual in-year trading deficit of the Company, which as reported in paragraph 3.15 was £3k.

3.19 In addition to the above, there is an actuarial gain in the pension of £189k, relating to assumptions around the long term finance and demographics of the pension members; this can be seen in the 'Other Comprehensive Income' account. The net effect of the pension income and expenditure, on this years' balance sheet is £103k, increasing the pension deficit to the Company of £3,152,000. The details of these can be seen in the 'Income Statement', the 'Other Comprehensive Income' account and the 'Directors' report.

3.20 **Balance Sheet**

3.21 **Assets** – this area of the accounts shows the stock held by the Company along with its debtors and cash. Debtors are made up of the treasury management finance/loan, which is held by the Council on behalf of A4T and invested by the Council's Finance Business Unit; this equates to £706K.

3.22 **Liabilities** – this is the amount of finance which is owed by the Company at close of the accounts; provision has been made to pay these outstanding suppliers and this will continue through 2020-2021, as invoices come into the Company. The total of this amount is £397K.

3.23 **Net Pensions Liability** - this has increased in year by £103K, and has been reported above in paragraph 3.18

3.24 **Reserves** – the in-year trading deficit of the Company and the amount of finance, which is required from the reserves to support the Company in 2019-2020; this equates to £3K in-year. The remaining reserve breakdown can be seen below:

- R&R reserve = £187,002
- R&R development Reserve = £70,000
- Contingency Reserve = £ 139,817
- **Total usable reserve = £396,819**

3.25 **Unusable Reserves** – The Pension deficit reserve has increased by £103K and now totals a deficit of £3,152,000.

3.26 **Audit Process**

- 3.27 As part of the process to produce and audit the 2019-2020 final accounts, the Company procured the services of Wright Vigar to undertake both roles. This has been undertaken and the accounts will now be provided to the Council, for incorporation into the Consolidated Group Accounts for the organisation.
- 3.28 The Committee will note the independent audit conclusion has been provided by Wright Vigar, which states the accounts:
- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its deficit for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Companies Act 2006

4. FINANCIAL DEVELOPMENTS IN 2019/2020

- 4.1 The Committee will be aware that as one of the main drivers for the Company has been financial sustainability and a considerable amount of work has taken place in this area since the Company was developed. Set out below are areas of financial development, which have taken place during the 2019/2020 financial year:
- A new online membership payment system has been developed and will be introduced when the leisure centres re-open. This new process will allow prospective members to pay online, removing a potential barrier to entry.
 - Monthly direct debit payments have been introduced for all clubs and organisations using the A4T sites. This approach has reduced invoices and in turn delays in payment from those organisations.
 - Contactless entry systems have been introduced at all leisure centres
 - In partnership with a software supplier, the development of Staffmis continues to take place with more areas being added to the software system, to aid operations.
 - Making Tax Digital (MTD) – this took place from 1st April 2019, with the Company undertaking its own returns and administering Southwell Leisure Centre's return also to HMRC
 - Introduction of a new online booking and membership portal 'Leisure Hub' system in partnership with XN Leisure and NSDC.
 - Operating the Barnby Road Academy sports facilities and administering all bookings.
 - Developing a business plan for The Suthers and Nottingham University Samworth Academy in Nottinghamshire, with a view to operating their sports facilities during 2020-2021.

5. PERFORMANCE REPORT 1ST APRIL 2019 - 31ST MARCH 2020

- 5.1 Active4Today has monitored the performance of the Company against the agreed performance framework established when the Company was formed in 2015. Attached at appendix II is the suite of key indicators for 2019/2020. In addition, the main highlights have been extrapolated from this performance framework and are set out in the report below.
- 5.2 The Company has continued to create and offer a wide range of activities for all groups and has worked closely with community groups to introduce more people to physical activity at the leisure centres and in community settings. More details of these activities are included at appendix III, within the Sports Development report.
- 5.3 The total number of direct debit memberships across the business has decreased, with approximately 630 losses experienced at NSFC alone, compared to March 2019. Over 200 of these cancellations were received from the end of January 2020, as a direct result of the growing global Covid pandemic crisis.
- 5.4 The total number of adult memberships held across the sites has declined by 4.97%, equating to a net loss of 438 members, with the majority of these experienced at NSFC; small decreases have been seen at DLC, with BLC remaining the same. SLC has seen a small increase of 45 members.
- 5.5 The total junior members across all sites has again decreased by 233 children, from 3,848 in March 2019 to 3,615 in March 2020. As stated within previous reports, this decrease has mostly been experienced at NSFC and is partially down to the relocation of several Dukeries members, as they attend NSFC for swimming lessons. In addition, there has been a reduction experienced due to the impact of Covid, as adults chose to keep their children away from lessons. DLC has seen a reduction in its dryside programme of approximately 50 members.
- 5.6

Membership Type	Actual	Target	Actual Compared to Target	Comparison to March 2019	Change +/- compared to March 2019
BLC Adult	808	818	-10	830	-22
DLC Adult	908	905	+ 3	933	-25
NSFC Adult	4,257	4,688	-431	4,693	-436
BLC Junior	26	0	+ 26	26	0
DLC Junior	256	300	-44	302	-46
NSFC Junior	1,978	2,215	-237	2,180	-202
TOTAL	8,233	8,926	-693	8,965	-732

Fig 1. Adult and junior comparison membership totals

- 5.7 The number of referrals received from health professionals saw a slight decrease in direct comparison to March 2019. Due to the risk and sensitivities of the target group, the numbers referred from health professionals in February and March 2020 reduced by 60% due to the Covid-19 pandemic.
- 5.8 However, despite the small reduction in the number of referrals received, the take up of the subsidised membership scheme increased from 54% in 2018/2019 to 60% in 2019/2020.
- 5.9 The number of user visits across all sites has increased by 3,670 visits across all 4 sites, despite losing 14 days of usage in March, following the closure on 17th March. This equates to approximately 30,000 lost user visits, based on previous trends. This improved figure above is partly attributed to the improved ICT systems and customers now recording their visits.
- 5.10 The number of user visits for children and young people (under the age of 16) across all leisure centre sites has seen an increase, despite the fall in membership numbers. This equates to 0.63% increase of 2,395 visits. This is due to customers taking advantage of the multi-access memberships, which allows customers to participate in several activities for one price.
- 5.11 The number of user visits from the over 60's age group has increased by 7.2%, equating to 8,758 additional visits. However, due to the Covid-19 pandemic the user visits rapidly dropped in March to approximately 50% of the previous month. This can be attributed to the closure on 17th March but also that this group of members may have been concerned over the risks of the virus within the centres, despite additional cleaning measures being put in place, very quickly.
- 5.12 The sports development team is continued to work within the more challenging areas of the district, where physical activity levels are lower than expected. These areas are predominantly, Ollerton, Blidworth and Bilsthorpe, where programmes have been developed, with an aim to increase participation from nothing, to 1 x 30 minutes of physical activity per week. As stated above, a summary of sports development work, is included at appendix III.
- 5.13 The partnerships with Newark Academy and Bishop Alexander have both continued to move forward positively and has enabled A4T to secure more availability for local clubs and groups, through the accessing of valuable and high quality community facilities, at these venues. The sports development team are crucial in this partnership, as they provide the advice and support to ensure the clubs are sustainable, covering a variety of factors, including coaching, volunteering, players and funding support.

- 5.14 A4T has also provided professional advice to the Barnby Road Academy, Newark, to support the development of their new sports hall. This partnership will continue to be developed over the forthcoming year, in order to enhance and increase community access to the facility.
- 5.15 A4T has recognised the requirements of ensuring staff are adequately trained and has delivered updates in safeguarding children and vulnerable adults to all staff that undertake activities involving those groups. Further online training through the Nottinghamshire Safeguarding Partnership will be rolled out in the Summer. This has also included a full audit to ensure all staff in positions where an enhanced DBS is required, is valid and up to date.
- 5.16 Website usage and hits for the Company continue to prove that the website is a well-used resource for existing and potential customers. However, the current trends within the industry demonstrate that the demographic of fitness users require a more interactive digital platform. As a result, A4T are investigating the development of an application or 'app' which would interface with all other existing software products. This should improve the customer journey, whilst at the same time collecting more accurate data on usage, frequency of visit and payment methods.
- 5.17 Throughout autumn and winter, there have been a number of advertising campaigns, covering both sales and retention. The adult promotion during October, was directed towards Newark and the surrounding community and promoted the Premier Membership, giving customers access to 1-2-1 training, similar to personal training. The initiative targeted potential customers requiring additional help and support to achieve their goals.
- 5.18 During November, a traditional month where direct debit sales are lower, the Company launched a 14-day, pay and play pass for £10; this provided a taster for customers, without the commitment of signing up to, a full monthly membership. Targets were achieved, with over 220 passes sold. Customers were subsequently contacted with a follow up phone call, with 65 conversions taking place, to a direct debit membership.
- 5.19 The 'Feel Good This Christmas' campaign, which followed the November campaign, ran throughout December, which is also a traditionally slow month for sales. This campaign resulting in 208 additional members signing up during this period. In addition to this, the 'Christmas Fun Week', offered fun galas, gymnastics and trampoline displays and a visit from Santa, with treats provided for every child. The adults were not left out either and had an opportunity of enjoying a mince pie and healthy fruit option, whilst they visited the leisure centres throughout the week.
- 5.20 The events were an incredible success, with a number Fitbits also given out to some adults and children as part of a Christmas retention scheme and to keep them motivated

into the future. Full coverage of all prize winners were then advertised via various forms of social media.

- 5.21 The sports development team developed a social media campaign throughout January, linked to the national campaign of 'RED January'. The campaign showed the positive link that physical activity has on mental health and encouraged people to be active every day of the month. There was a daily post on Facebook and the information shared on Twitter and Instagram, highlighting the different activities on offer throughout the District. In addition, people were signposted to the opportunities, available to them.
- 5.22 During January, a January 'Half Price sale' campaign was offered, with members receiving their first month at half the usual membership price. This resulted in 309 adult membership sales across all sites. The campaign also launched a series of new class timetables, with additional classes at each site.
- 5.23 The February campaign offered, the 'First 50 Join for Free'; this initiative was aimed at increasing demand, at a traditionally busy time. This resulted in 217 adult membership sales.
- 5.24 During April 2019, as part of the contactless installation, A4T and SLCT had server increases, moving the operations of the facilities from 1 server to 3 servers. This has provided a much more stable ICT infrastructure with more capacity for the multiple ICT software systems used across the business, and ultimately provided an improved service for the customers.

6. PROPOSAL

- 6.1 It is proposed that the District Council acknowledge the work, which has been undertaken by Active4Today Limited, including the hard work to mitigate the issues which have arisen at the Dukeries Leisure Centre throughout the year and the on-set of the Covid pandemic, which resulted in the closure of the facilities on 17th March 2020.

7. BUDGET IMPLICATIONS

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

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 There are no equality or diversity issues set out above. Information on the diversity of the work which A4T undertake, has been contained within the information above and attached at appendix III; the sports development report. All information will continue to

be available in a number of formats, in line with access requirements and those set out in the equalities and diversity policy.

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

ACTIVE4TODAY LIMITED DIRECTORS' REPORT AND FINANCIAL STATEMENTS



Report of the Directors and
Financial Statements
for the Year Ended 31 March 2020
for
Active4Today Limited

Contents of the Financial Statements
for the Year Ended 31 March 2020

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Active4Today Limited
Company Information
for the Year Ended 31 March 2020

DIRECTORS:

A Carolan
S P Carlton
K F Girling
Mrs D K Johnson
M J Skinner
N A Wilson

REGISTERED OFFICE:

Newark Sports And Fitness Centre
Lord Hawke Way
Newark
Nottinghamshire
NG24 4FH

REGISTERED NUMBER:

09477018 (England and Wales)

AUDITORS:

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Report of the Directors
for the Year Ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

Active4Today Ltd was launched on 1st June 2015, as an independent company registered with Companies House, with Newark and Sherwood District Council being the single shareholder.

Active4Today Limited and its 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 debit finance, associated with their popular membership schemes.

In addition to these services, Active4Today Ltd provides administrative support to the Southwell Leisure Centre Trust and operates additional dryside provision out of Newark Academy, Bishop Alexander LEAD Academy and Barnby Road Academy, through service level agreements.

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

- Health and active lifestyles
- Accessible facilities
- Financial viability

REVIEW OF BUSINESS

To the end of 2019/20 the Company played host to over 900,000 visitors, using its direct facilities, its sports development service and its partner sites.

In addition, the Company had over 8,500 direct debit members, which consist of both adult and juniors.

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

The year to 31st March 2020 was the fourth full trading year by the company, which started trading in June 2015. The initial trading period, which commenced on 1st June 2015, was 10 months only. The 2019/2020 financial year has been a hard year of trading, given there is still no wetside provision in the Sherwood area of the district (following the closure of the swimming pool at the Dukeries Academy, during 2017), however positive moves have been made by Newark and Sherwood District Council, to meet this shortfall in wetside provision, by commissioning the development of a new swimming pool, adjacent to the existing Dukeries Leisure Centre, which currently only provides dryside activities.

In addition to the above difficulties during the year, due to the outbreak of Covid-19, the leisure centres, sports development service and partner sites, made the decision to close their doors on 17th March 2020, in a bid to comply with the 'Stay at Home' message, from the UK Government. This voluntary decision, was however, followed two days later, by a mandatory instruction from the Government, to close all other leisure facilities in the Country; this situation soon resulted in a UK 'lockdown' for the population, in a bid to help fight, the Coronavirus pandemic. As a result of this closure during March, no pay and play income was collected for the last two weeks of the month; in view of this, the Company has posted a small in-year deficit for 2019/2020.

Throughout 2019/2020, as with previous years, substantial repairs and renewals to the facilities have taken place, in order to ensure these facilities remain in very good condition, which meet the customer expectation. This is in line with Company's contractual arrangements with the Council and the requirement to ensure the facilities remain in a condition which is "fit for purpose" and reflects the Council's and Company's commitment, of providing a quality experience, for all of its customers.

The reserves for the Company excluding the pension scheme remain in a good position; however, with the closure of the facilities and its services expected to continue into the first quarter of the 2020/2021 financial year, the Company may have to call on these reserves, to help support the Company going forward, until the facilities can re-open again. As a result of the deficit during 2019/2020, this is the first year since the Company commenced trading, that it has not contributed to the reserve fund.

The Company continues to receive the ongoing financial support of Newark and Sherwood District Council from an annual management fee.

Report of the Directors
for the Year Ended 31 March 2020

FINANCIAL REVIEW

Since June 2015 the company has taken on the liability of the defined benefit pension scheme and costs relating to the running of this scheme are now required to be recognised in both the profit and loss account and in the statement of other comprehensive income.

In the current year the total comprehensive income of the company showing the combined results of the trading activities and the pension scheme amounted to a deficit of £106,311 (2019: £137,547).

This comprises the trading results showing a loss of £3,311 (2019: profit £22,453) and movement on the pension liability which showed a deficit of £103,000 (2019 £160,000) in respect of the year to 31 March 2020.

The component parts of the pension scheme liability movement are illustrated in the table below which reconciles the trading results of the business to the total comprehensive income for the year.

	2020	2019
	£	£
Net interest charge on pension scheme	(72,000)	(73,000)
Service costs in respect of the pension scheme	(437,000)	(509,000)
Contributions made by Active4Today to pension scheme	218,000	213,000
Contributions by Scheme participants	78,000	76,000
Administrative costs on pension scheme	(1,000)	(1,000)
Actuarial gain and change in assumptions	<u>111,000</u>	<u>134,000</u>
Overall movement on pension liability	(103,000)	(160,000)
Trading (loss)/profit of the company	<u>(3,311)</u>	<u>22,453</u>
Total comprehensive income for the year	<u>(106,311)</u>	<u>(137,547)</u>

DIRECTORS

A Carolan has held office during the whole of the period from 1 April 2019 to the date of this report.

Other changes in directors holding office are as follows:

R Blaney - resigned 20 June 2019
S Kohli - resigned 9 March 2020
D Lloyd - resigned 9 March 2020
J Robinson - resigned 9 March 2020
Ms A Truswell - resigned 19 June 2019
S P Carlton - appointed 13 June 2019
K F Girling - appointed 9 March 2020
Mrs D K Johnson - appointed 9 March 2020
M J Skinner - appointed 13 June 2019
N A Wilson - appointed 9 March 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors
for the Year Ended 31 March 2020

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



A Carolan - Director

8 July 2020

Report of the Independent Auditors to the Members of
Active4Today Limited

Opinion

We have audited the financial statements of Active4Today Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Report of the Independent Auditors to the Members of
Active4Today Limited

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Sewell BA (Hons) FCA CTA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

8 July 2020

Income Statement
for the Year Ended 31 March 2020

	Notes	2020 £	2019 £
TURNOVER		2,854,599	2,873,004
Accrued service costs - pension		220,000	297,000
Administrative expenses		<u>2,945,452</u>	<u>2,947,136</u>
		3,165,452	3,244,136
		(310,853)	(371,132)
Other operating income		<u>254,065</u>	<u>250,782</u>
OPERATING DEFICIT		(56,788)	(120,350)
Irrecoverable VAT	4	<u>170,386</u>	<u>157,653</u>
		(227,174)	(278,003)
Income from other current asset investments		<u>4,769</u>	<u>4,267</u>
		(222,405)	(273,736)
Other finance costs		<u>72,000</u>	<u>73,000</u>
DEFICIT BEFORE TAXATION		(294,405)	(346,736)
Tax on deficit		<u>906</u>	<u>811</u>
DEFICIT FOR THE FINANCIAL YEAR		<u>(295,311)</u>	<u>(347,547)</u>

Other Comprehensive Income
for the Year Ended 31 March 2020

Notes	2020 £	2019 £
DEFICIT FOR THE YEAR	(295,311)	(347,547)
OTHER COMPREHENSIVE INCOME		
Pension scheme actuarial gain/(loss)	189,000	210,000
Income tax relating to other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>189,000</u>	<u>210,000</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(106,311)</u>	<u>(137,547)</u>

Balance Sheet
31 March 2020

	Notes	2020 £	2019 £
CURRENT ASSETS			
Stocks	5	1,223	3,565
Debtors	6	640,938	657,436
Cash in hand		63,410	84,940
		705,571	745,941
CREDITORS			
Amounts falling due within one year	7	308,752	345,811
NET CURRENT ASSETS		396,819	400,130
TOTAL ASSETS LESS CURRENT LIABILITIES		396,819	400,130
PENSION LIABILITY		(3,152,000)	(3,049,000)
NET LIABILITIES		(2,755,181)	(2,648,870)
RESERVES			
Contingency reserve		139,817	143,128
Repair reserve		187,002	187,002
Development reserve		70,000	70,000
Income and expenditure account		(3,152,000)	(3,049,000)
		(2,755,181)	(2,648,870)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 8 July 2020 and were signed on its behalf by:

A Carolan - Director

Notes to the Financial Statements
for the Year Ended 31 March 2020

1. **STATUTORY INFORMATION**

Active4Today Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has a defined benefit pension scheme and additional disclosures have been made within the accounts to illustrate the movement on the pension scheme and its impact on the results of the trading operations.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Costs includes all direct costs and an appropriate proportion of fixed and variable overheads.

Taxation

Taxation expense represents the amount of tax currently payable. The company pays tax on its investment income only.

Management fee

Management fees are recognised in the Income and Expenditure account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute.

Fees for the immediate financial support to cover costs already incurred are recognised immediately in the Income and Expenditure account. Fees towards general activities of the entity over a specific period are recognised in the Income and Expenditure account over that period.

Fees towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the Income and Expenditure account over the useful life of the asset concerned.

All fees in the Income and Expenditure account are recognised when all conditions for the receipt have been complied with.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 53 (2019 - 59).

4. **IRRECOVERABLE VAT**

	2020 £	2019 £
Irrecoverable VAT	<u>(170,386)</u>	<u>(157,653)</u>

5. **STOCKS**

	2020 £	2019 £
Stocks	<u>1,223</u>	<u>3,565</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Amounts owed by NSDC	523,950	560,450
Other debtors	108,358	88,803
Prepayments and accrued income	<u>8,630</u>	<u>8,183</u>
	<u>640,938</u>	<u>657,436</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Tax	906	811
Other creditors	301,846	318,000
Commitments in year	-	21,000
Accruals and deferred income	<u>6,000</u>	<u>6,000</u>
	<u>308,752</u>	<u>345,811</u>

8. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party is Newark and Sherwood District Council.

9. LIMITED BY GUARANTEE

Active4Today Limited Registered number 09477018 is a limited by guarantee company incorporated in England & Wales. The Registered Office is Newark Sports and Fitness Centre, Bowbridge Road, Newark, Nottinghamshire, NG24 4DH.

10. RECEIPTS IN ADVANCES

Receipts in advance of £24,936 (2019: £50,409) has been accounted for and comprises of various funds for use when the resource is required and also 2020-21 receipts for facility hire collected in advance.

11. PENSION COMMITMENTS

The company operates a defined benefit pension scheme through Nottinghamshire County Council. At 1 June 2015, all employees engaged by the company were transferred from Newark and Sherwood District Council to the company.

During 2016/17 an actuarial pension evaluation took place on the Company's pension fund.

The actuarial pension evaluation is a tri-year exercise and in the Autumn of 2019 the re-valuation of the fund will again be carried out. The findings of this exercise will be reported to the company during the spring of 2020 and the new figures will inform budgets and pension reserves for the next 3 financial years (2020-21 to 2022-23 inclusive).

Barnett Waddingham have provided valuations of the fund and its net liability as at 31st March 2020 is £3,152,000 (2019: £3,049,000). This is a net increase in the liability from the previous year of £103,000.

Active4today Limited
Income and Expenditure for Y/E 31 March 2019/20

	31-Mar-20		31-Mar-19	
	£	£	£	£
TURNOVER				
Activo		1,806,029		1,803,712
Xperience		571,419		636,686
Wetside		214,266		211,753
Dryside		203,267		195,726
Other Income		59,618		25,127
		<u>2,854,599</u>		<u>2,873,004</u>
Administrative Expenses				
Staff Costs	1,833,812		1,822,197	
IAS 19 Pension Adjustment	218,821		297,000	
Contractual Services	74,108		95,614	
Freelance Instructors	91,430		102,216	
Travel and subsistence expenses	0		136	
NSDC support charges	223,548		180,836	
Light and heat	222,391		199,219	
Water Rates	30,149		18,005	
Cleaning	13,447		12,237	
Hire of facilities	1,451		16,057	
Pool Chemicals	6,849		7,135	
Clothing and uniform	5,961		10,554	
Commitments- reversal of 2018 provision	-34,344		-15,553	
Repairs, renewals and maintenance	224,994		239,987	
Insurance	51,254		48,211	
Equipment and badges	73,233		78,344	
Printing, Marketing and stationery	35,683		68,070	
Parish councils and voluntary bodies	8,646		6,831	
Telecommunications	3,520		3,557	
Audit & Accountancy fees	8,950		10,000	
Professional fees	14,365		12,102	
Licences	36,691		15,105	
Bank Charges	7,598		8,447	
Sundry expenses	11,895		7,826	
IAS19 pension adjustment	73,000		73,000	
		<u>-3,237,452</u>		<u>-3,317,136</u>
Other Operating Income				
Management fee- Newark and Sherwood District Council	121,220		121,220	
Management fee- Southwell Leisure Centre	95,850		95,850	
External Funding	0		8,745	
Other Income	22,291		18,291	
Vending commission	4,423		0	
Equipment Sales	10,281		6,676	
		<u>254,065</u>		<u>250,782</u>
OPERATING SURPLUS		<u>-128,787</u>		<u>-193,349</u>
Interest from other current asset investments- unlisted	4,769		4,267	
		<u>4,769</u>		<u>4,267</u>
IRRECOVERABLE VAT				
Irrecoverable VAT	170,386		157,653	
		<u>-170,386</u>		<u>-157,653</u>
SURLUS BEFORE TAXATION		<u>-294,405</u>		<u>-346,736</u>
Tax on Surplus				
Corporation tax charge	906		811	
		<u>-906</u>		<u>-811</u>
SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR		<u><u>-295,311</u></u>		<u><u>-347,547</u></u>

					Appendix C
Pentana PI Ref	Active4Today Performance Indicators (incl SLCT)	31st March 2019	31st March 2020	Growth (+) Decline (-)	Comments
HHC_KI108	No. of User Visits - TOTAL	1,186,229	1,189,899	+0.31%	A small increase in user visits experienced, which is attributable to all areas of the business and SLCT. A high proportion of growth has been seen at SLCT specifically due to the introduction of the access control system in March 2019. The number of user visits lost due to closure of all 4 centres on 18th March, equates to approximately 30,000 visits. There is also a large number of new visits which are taking place at the partner sites and with new sites coming on board in 2020, it is anticipated that usage will increase.
A4T_DI001	No. of Leisure Centre user visits - Children (under 16) - TOTAL	378,935	381,330	+0.63%	A slight growth has been experienced, despite a decrease in the childrens membership base. This again, is partly due to the increase in partner site usage from clubs and groups with junior development programmes and teams. In addition, children have taken advantage of the multi-membership package which allows them access to various activities for one price.
A4T_DI002	No. of Leisure Centre user visits - Aged Over 60 - TOTAL	121,705	130,463	+7.20%	An increase in user visits has been experienced, which is attributable to the continued offer of various classes that have been introduced in the last year, targeting this age group, despite there being a 50% decrease in usage by over 60's in March 2020 due to Covid-19.
A4T_DI003	No. of Leisure Centre user visits - Deprived areas - Total users	19,354	19,662	+1.59%	There has been a small increase in the number of people participating from a set number of postcodes. A change took place in April 2019 in the calculation method, which now is the same criteria as the concensionary membership postcode data and was introduced in April 2019, as per the approved Pricing Strategy for all 4 centres. The figure reported last year was 31,476 which used different parameters.
A4T_DI004	No. of individuals referred to Active4Today from a health professional - Total	459	448	-2.40%	A slight decrease has been experienced, which can be attributed to the decline in referrals received during February and March due to the Covid-19 pandemic. The scheme attracts individuals with medical conditions which due to the increased risk, the number of referrals decreased for the last 2 months of the year.
A4T_DI005	No. of individuals referred to Active4Today from a health professional - Attended Session - TOTAL	250	269	+7.60%	Although a decrease was experienced in the number of referrals received, the number that attended site and subsequently joined the subsidised membership has seen a small increase. During the year, there have been two further staff trained in Level 3 Exercise Referral enabling more appointments and 121 assessments to be undertaken.
A4T_DI006	No. of Community Groups supported by Sports Development	268	198	-26.12%	There is a reduction in the performance of this indicator due to two posts within the team being vacant for approximately 3 months in the year. However through networking and contacts made with existing and new partners, the team have re-established links with local groups and clubs and supporting them through a series of networks.
A4T_DI007	No. of user visits on Sports Development programmes in deprived areas	497	397	-20.12%	There have been a limited number of activities taking place in community settings during the last year that are directly delivered by the sports development team. More value is achieved through supporting clubs and voluntary groups to develop more activities to take place and therefore becoming sustainable in the long term. More qualitative detail included in appendix II.
A4T_DI008	Live Leisure Centre Membership base (adults) - Total	8814	8376	-4.97%	There has been a decrease in the adult membership base across all sites (-438) in comparison to March 2019. This data includes SLCT. The peak adult membership in year was experienced in June 2019, where it rose to 8,978, however since that point apart from a small increase in January, has steadily declined. There has been a new gym open in Newark during the year in November, which has been a main factor for this decline; however, numbers have also been reducing since the end of January when the awareness of Covid became apparent.
A4T_DI009	Live Leisure Centre Membership base (children) - Total	3848	3615	-6.06%	A decrease has been seen in the children's membership base compared to the same period last year (-233) across all sites. This data includes SLCT. Again, similar to the adults, the children's membership base peaked in June 2019 to 3,907, however around December/January, all leisure centres began to se a decline in numbers, one of the factors being attributed to Covid-19.
A4T_DI014	% Customer Satisfaction - TOTAL	39	41	+5.13%	The customer satisfaction is calculated by an NPS (Net Promoter Score) that is automatically calculated and updated daily based on the survey comments and scores received. This provides valuable feedback and enables the team to take necessary action relatively quickly, but also communicate with customers directly to understand their concerns and feedback. Although, the scores given by customers are very subjective at times, the total score benchmarks across a variety of sectors and other operators of a similar status.
A4T_DI015	Number of people on concessionary membership	224	211	-5.80%	The number of people taking advantage of the reduced concessionary monthly direct debit has seen a reduction in comparison to March 2019, however the decrease was all experienced in March 2020 due to the pandemic. During the year, in September 2019, the figure rose to it's best ever performance to 246 and then has seen a steady decrease to 211 in March 2020.



MANAGEMENT REPORT

Performance Management Report 1st April 2019 to 31st March 2020 Sports Development update

The team has made some excellent progress with various projects throughout the year, working in communities in the district to increase participation in sport and physical activity. The report gives an overview of some of the successful work that has taken place during 2019/20.

The team organised the annual Sports Awards presentations in December 2019, recognising the wealth of talent that are based in Newark and Sherwood. There were a number of inspirational stories shared, raising the profile of the breadth of opportunities that are available to local people.

During the year, the sports development team successfully recruited two new staff and they have made an extremely positive impact in a short time, working with existing and new partners to achieve our aim of creating more active lifestyles opportunities.

Due to the current pandemic, the sports development officers are now looking at ways to engage with clubs and volunteers on a virtual level, both through the leisure centre settings but also to engage club volunteers in club forums and groups. With the introduction of new software such as Microsoft Teams, the team will be communicating and undertaking less 'in person' meetings, however, still reaching out to a wider volume of individuals and groups.

Club and Coach Development

The team have supported club members of the Newark and Sherwood Sports Council, through a series of meetings which have identified key tasks that member clubs would like to focus. These included the production of a leaflet which provides event and session information of clubs and has been widely distributed across the district.

Club representatives on the Sports Council have also set up a Facebook page, advertising local club opportunities, sharing ideas and actively promoting the network in the local sporting community, encouraging more clubs to join.

Joint events and presentations have taken place with topics that officers feel would be of benefit to clubs in their plans. These including funding from an organisation named Koi Sports who are helping foster links between business and local grassroots clubs.

Progress with the Southwell Sports Forum has slowed a little towards the end of the year. The team are working with clubs to identify potential new officers due to the previous incumbents stepping down at the AGM in October. Clubs are able to join and attend the wider district Sports Council in the interim, whilst the team work with the local club volunteers.

The VISPA volunteering scheme continued throughout the year, with a new 'VISPA Academy' launched in January 2020. This new cohort of young volunteers have been recruited and will be given additional mentoring support and A4T will cover the cost of their introductory coaching qualifications. This, in turn, will provide a valuable step in gaining employment with the Company in the future.

Inclusion

There have been a variety of projects developed and delivered over the course of the year, with the Junior Parkrun being launched in Ollerton. This was a community wide project, now fully sustainable with volunteers co-ordinating the weekly Sunday morning 2km run, aimed at children aged 4-11 years old.

A series of football sessions for girls with a disability were held at Newark Sports and Fitness Centre from April to October. Over the year there have been 12 individuals regularly attending from local schools and community settings and they have all benefitted from taking part in both conditioned and small-sided games; with an emphasis on fun and inclusion.

A meeting with Coalfields Regeneration Trust led to a free programme planned for the New Year. This would allow access to Friday night football sessions at Dukeries Leisure Centre. This will be available to young people aged 11+. The sessions will be ongoing, led by professional coaches and at no cost to participants. Due to a slight delay and then the Covid-19 pandemic, this project has been put back to start again in September 2020.

Over the summer holidays A4T organised a series of diversionary activities in an attempt to curb anti-social behaviour at Balderton Playing Fields, Coronation Street. Sports based sessions were delivered alongside healthy eating classes by Everyone Health. Balderton Parish Council funded several of the activities and were supported by Terry Bailey, ASB Officer from NSDC, the local PCSO and Community Protection Officers. The sessions were well received, with numbers in excess of 15 per session. Feedback was very positive, with a definite drop in anti-social behaviour being recorded, over the period that the diversionary activities were held. The sessions were very well received and more were planned for 2020 however due to the pandemic have been postponed.

Active Lifestyles

There have been a number of active lifestyles activities and projects delivered which include a Health and Wellbeing event for the community at Dukeries Leisure Centre, targeting older people and people of any age with additional social, physical or mental issues; the aim was to introduce, or reintroduce people to sport or physical activity and give them information about healthy eating. Over 40 people attended aged 8 – 80, participating in activities delivered by A4T, England Netball, Nottingham Forest Community Trust and Everyone Health. Follow up actions have been put in place to try and create regular sessions, tailored to the group that attended.

The team have worked closely with students and staff at the Dukeries Academy, engaging females in sport and physical activity, who would typically not participate in any activity as part of their weekly routines. Taster sessions of Pilates, yoga, circuit training, Metafit, spinning and gym sessions were delivered and information of existing classes at the Dukeries Leisure Centre were given to the participants, to give them the opportunity to continue participating.

In January, the sports development team planned a social media campaign to highlight the national initiative 'RED' January. The campaign highlights the positive effect that physical activity has on mental health, encouraging people to be active every day of the month. There were daily social media posts sharing ideas of how and where people can be active alongside a series of inclusive 'introduction to' sessions delivered at all sites. There were a number of partners involved including local sports clubs and community groups.

Through working with a partner, Everyone Health, the team have developed additional opportunities for low level classes and activities which target older people and those with medical conditions. These include stroke survivors, falls and pulmonary rehabilitation. These have been a valuable extension to the long standing GP Referral scheme that has operated in the centres for almost 20 years.

There were 12 ladies from the Ollerton WI that took part in a Walking Netball taster session in September. A coach from England Netball coached the session, which was enjoyed by everyone that took part.

LEISURE & ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

RESPONSE TO RECYCLING PETITION

1.0 Purpose of Report

- 1.1 At the end of 2019 Newark and Sherwood District Council received a petition organised by a resident of North Muskham Claire Kay. Claire is extremely active in her local community and is a keen advocate of recycling and environmental issues and her concerns align with the council's stance on climate change.
- 1.2 Although the petition did not reached the required levels of support to be heard at full council we thought it was important to bring it to the attention of members as it does highlight some the issues we face and the views of many residents.
- 1.3 The full text of the petition is included as an appendix to this report but we wanted to increase awareness of the actions that have been taken in response to the concerns raised. I've summarised the concerns below.

2.0 Plastic Recycling

- 2.1 The petition states that residents cannot recycle bottles and most plastics in the kerbside recycling bin. This is incorrect Newark and Sherwood residents can recycle bottles including cleaning products and shampoo bottles etc. within the silver bin.
- 2.2 It has been a long running concern that Nottinghamshire County Councils contract with Veolia does not allow for a broader mix of plastic collection; however we do appreciate their concerns that due to a lack of UK based recycling infrastructure there is low demand for pots, tubs and trays, therefore by sending them to energy recovery they remove the risk of them ending up as a problem in another country. It is hoped that the changes outlined in Central Governments Waste and Resources Strategy will help to tackle this and we will continue to work with both Nottinghamshire County Council and the wider Nottinghamshire waste Partnership to ensure the range of materials that can be recycled is increased.

3.0 Milk Cartons

Mrs Kay brought to our attention that many of the primary schools in the area who work with a company called Cool Milk were providing many key stage 1 children with individual milk cartons. Although recycling facilities for these cartons do exist within the district cartons are not recyclable through the Veolia contract. This is again a problem born from poor product design and a lack of infrastructure. Cartons are composite items typically formed from layers of cardboard metal and plastic and separating those layers is difficult. With Mrs Kay's assistance we have worked with Cool Milk to tackle this issue since it was brought to our attention. 14 schools had made the switch to reusable cups and recyclable

milk bottles (pre lockdown) and 46 schools have taken advantage of our schools recycling service.

4.0 Food, Glass and other items

- 4.1 Members may be aware from a previous report that Central Government issued the Waste and Resources Strategy in 2018 which has significant implications for local authorities from 2023. Among other things food, glass and mixed plastics will have to be collected kerbside and there are a number of other policy measures in development resulting from the Environment Bill which should contribute to the circular economy, these include taxes on non-reusable plastics and a deposit and return scheme.

5.0 Communication and Education

- 5.1 Recycling information has been sent out to households in the district on several occasions but we understand that more needs to be done to increase awareness both of what items can go into the recycling bins and where to recycle other materials around the district. Following the recent re-structure the Environmental Services Team now has the capacity and the roles to work with schools to improve recycling and environmental awareness.
- 5.2 We have seen a number of consultations from central government and now need to see some firm guidance. That's why as part of our environmental services strategy we will be lobbying Central Government for urgent details of the changes highlighted in the Waste and Resources Strategy 2018 so that we can use our resources to effectively manage and communicate that change.

6.0 Equalities Implications

- 6.1 None.

7.0 Impact on Budget/Policy Framework

None

8.0 Community Plan – Alignment to Objectives

- Protect, promote and enhance the district's natural environment
- Increase Participation with the council and within local communities

9.0 Recommendations

That Members note the petition and acknowledge the actions taken and that there is a desire within the community to improve recycling services.

Background Papers

Nil

For further information please contact Andy Kirk on Ext 5577

Matthew Finch, Director - Environment and Communities

Appendix – Original Petition Text

My name is Claire Kay I have lived in and around the Newark area for over 20 years, currently residing in North Muskham. My son attends the village primary school. I have recently set up a Facebook group, primarily due to my own concerns about climate change and what impact our daily lives have on the environment. The group is called eco worriers women for change and I have been overwhelmed by the response to my page in just under 2 weeks we have 2500 like-minded ladies sharing maintainable tips & ideas for the everyday lady who is a wife, mother and a generally concerned human, we have all made small changes thus far.

The overwhelming concern locally is the very poor recycling facilities kerbside to our homes. We pay above the national average in council taxes and yet we cannot even recycle bottles & most plastics in our recycling bins.

I myself, and I know I am not the only lady locally doing this, am collecting the milk cartons from the local school as they are currently being landfilled! that's 50 cartons every day being landfilled and that is just in one school in our area, how have they not got a recycling container at a primary school, when we are trying to teach our children the importance of our actions concerning the environment, we are at a critical stage. So I am taking them to my local recycling transfer station in Newark thus increasing my own carbon footprint.

I feel I have no alternative at the moment. Surely this is something to discuss & change sooner rather than later, we are so far behind in this area, a lot of local councils offer food compost bins, bottle collections alongside the usual paper & mixed plastics. I was amazed at how many ladies locally did not know exactly what plastic could be recycled and it's a minefield trying to find out the correct information. We need ACTION and WE NEED IT NOW. –

Please sign this petition so we can ask the council to update our bins, make the information clearer, give our schools adequate recycling facilities and teach the teachers and the children how to use them, I had to explain to the Headmistress of our school what can and can't be recycled. This is not good enough, we want a better world for our children. My group is nationwide now and we have members from all over the world too, we all want to do the right thing for our planet so please give us the facilities to do this.

LEISURE & ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

ENVIRONMENTAL SERVICES STRATEGY

1.0 Purpose of Report

- 1.1 To provide members with an overview of the Environmental Services Strategy and the background to its development.

2.0 Background Information

- 2.1 As part of the ongoing restructure which has resulted in the merger of several frontline services a new strategy has been developed in order to highlight and implement the councils objectives in frontline service delivery. In particular it links to 3 objectives:

- Objective 1: Improve the cleanliness and appearance of the local environment
- Objective 6: Protect, promote and enhance the district's natural environment
- Objective 11: Generate more income, improve value for money and increase residents satisfaction with the Council

- 2.2 The new Environmental Services Business Unit brings a number of the council's interests under one business manager

- Recycling and Waste
- Street Cleaning
- Grounds Maintenance
- Parks
- Transport

- 2.3 In addition to the councils corporate objectives set out above, this strategy also supports the authority's stance on climate change.

3.0 Timescales

- 3.1 The timescale for this strategy is relatively short because it has been developed against a background of uncertainty. The governments Resources and Waste Strategy 2018 and the Environment Bill have both outlined significant changes that could have major impacts on several of the services which form part of this strategy. Initial indications are that the timescales set out in the Resources and Waste Strategy will come to fruition in 2023. That is why this document has been created to align with that timescale as it is likely that a significant review will be required near this time.

- 3.2 This strategy aims to realign our services so that the council is well placed to respond to the planned changes whilst ensuring we continue to push for higher standards across the district.

4.0 Objectives

4.1 There are 7 key objectives outlined in this strategy and the full document lists a number of actions which are aimed to deliver on each one. These objectives are:

1. To improve the district's recycling rate with the aim of maximising recycling percentage.
2. Work with communities and partners to 'Green' Newark and Sherwood delivering district wide programmes focusing on tree planting and protecting and enhancing the district's natural environment.
3. Making Newark and Sherwood 'Clean' with a focus on areas in need by conducting targeted activity in identified communities and tackling key issues.
4. Work with our communities to create social capital in the 'Green' and 'Clean' agendas and encourage engagement with Environmental Services.
5. Engage with communities to deliver behaviour change through education and enforcement including campaigns.
6. Work with key colleagues within the Council to reduce Newark and Sherwood District Council's carbon footprint to offset the impact of Climate Change.
7. Maximise resources within the unit through efficiencies and commercialisation with the aim any additional resource being reinvested into greening initiatives and service improvements.

5.0 Equalities Implications

5.1 None at this stage but during the implementation of this strategy impacts will be considered on a project by project basis.

6.0 Impact on Budget/Policy Framework

6.1 None at this stage but individual actions may require additional budget commitments. Each applicable action will be assessed at the time and additional reports provided.

7.0 Community Plan – Alignment to Objectives

7.1 This project works deliver the following Community Plan objectives;

- Objective 1: Improve the cleanliness and appearance of the local environment
- Objective 6: Protect, promote and enhance the district's natural environment

- Objective 11: Generate more income, improve value for money and increase residents satisfaction with the Council

8.0 RECOMMENDATION

That members note the information contained in the strategy and provide their approval and support.

Reason for Recommendation

To provide the Environmental Service Team with clear and robust strategy to ensure they help meet the goals of the authority.

Background Papers

Nil

For further information please contact Andy Kirk on Ext 5577

Matthew Finch, Director - Environment and Communities



Environmental Services Strategy

April 2020 – March 2023



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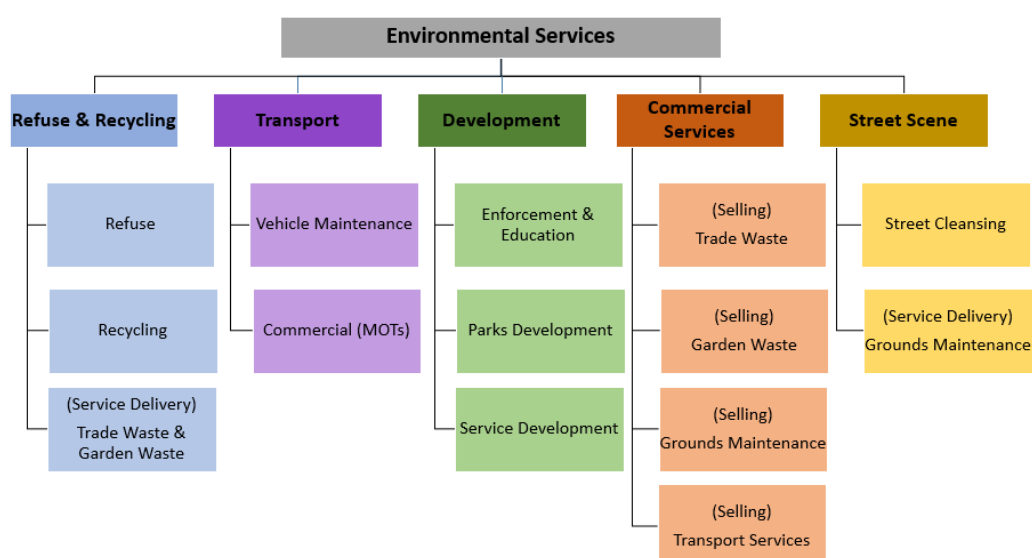
Introduction

Purpose of this Strategy

Environmental Services are vital to the Council; they impact the lives of residents every day both in their homes and as they walk through the district's streets and parks. These front line services, and their performance in the streets and green spaces across the district, are valued by our residents. This is demonstrated in the 2018 Resident Survey when 11,224 residents replied to the question 'what is the most important service?' selecting 'refuse collection and recycling' as fourth most important closely followed by 'keeping streets and public areas clean and tidy.' Similarly, one of the largest themes in the resident comments was that the Council should address 'cleaner' issues, most notably fly tipping, littering and dog fouling whilst 90% of respondents said it was important or very important to them be able to live in a sustainable and environmentally aware way. Another theme from resident comments was requests to improve care of green spaces, parks, roundabouts and verges. This ties into the legacy of the "Cleaner, Safer, Greener" campaign, launched in July 2018, which saw Newark and Sherwood District Council pledge to make the District a Cleaner, Safer and Greener Place. The campaign's Council wide focus on the front line issues that impact residents every day was a great success and it re-energised and refocused the Council on the streets and green spaces across the district.

Environmental Services covers a range of 'Clean' and 'Green' services using five delivery arms, namely; Recycling and Refuse, Development (including Parks Development and Service Development), Commercial Services and Street Scene, which utilises the synergies between Grounds Maintenance and Street Cleansing. All of which are underpinned by Transport, the delivery arm providing the vehicles that enable these services to happen. All of these services work to make our district Clean and Green the commonality between all is the aim to make the district a pleasant place to live, work and visit.

This strategy lays out how these services will be delivered over the next three years. This is a short term strategy as this service area is in a state of flux due to the draft National Waste Strategy, currently in its public review phase, and Environmental Bill. This service area looks set for change and therefore over the next three years the Council will focus on delivering this strategies objectives as well as preparing for change by developing this service to a solid baseline.



Background

Newark and Sherwood is one of the seven Districts of Nottinghamshire. It has an area of 65,132 hectares which is the largest district of Nottinghamshire county. The resident population of Newark and Sherwood in 2018 was 121,566 living across 48,773 households. The predominant age band is 50 to 54 and the mean age of the Newark and Sherwood district population was 42 years compared to a mean age of 41 years for residents in the whole of Nottinghamshire. The central part of the District is predominantly rural with three main population centres namely; Southwell, Newark-on-Trent and Ollerton.

The District contains one of the world's most famous historical natural assets in the form of Sherwood Forest as well as the River Trent, one of England's largest river systems. The District is rich in history and the waterways passing through the district are now an important heritage feature with a wealth of cultural and natural history as well as several historic market towns. It is also a well-connected district with road networks woven across the district as well as national rail connectivity.

Council Priorities

Newark and Sherwood District Council's strategic objectives were set as part of the Community Plan in May 2019 and they are as follows;



This strategy supports all of these objectives in a tertiary manner but it primarily links to these three objectives;

- Objective 1: Improve the cleanliness and appearance of the local environment
- Objective 6: Protect, promote and enhance the district's natural environment
- Objective 11: Generate more income, improve value for money and increase residents' satisfaction with the Council

The Challenges we face

The authority strives to be a leader in environmental matters against a background of national and international uncertainty. Our nations exit from the European Union and evolving strategies and priorities from central government combined with uncertainty around demand from national and international materials markets makes long term planning extremely complex. That is why this strategy is designed to reposition our existing services so that we are ready to respond to anticipated demands.

We expect the governments Resources and Waste Strategy 2018 to have significant impacts on the services the council must provide and have aligned this local strategy with the time scales identified within that document. It is anticipated that from 2023 there will be a legal duty on all councils to offer additional services including kerbside glass and waste food collections. It is not yet clear if additional funding will be provided for these services. In any event the targets established in this strategy are deliberately challenging and will require a real shift in focus to prepare us for the implementation of the national strategy whilst positioning us to launch services independently should the national plans not come to fruition.

With all of the above in mind this document details the council's position on a range of environmental issues identifying the areas where we can operate directly to control outcomes and where we can work with or lobby other business units or external bodies to influence positive change. For ease of reference these areas are listed below.

Control

- Garden Waste
- Glass (banks)
- Trees (NSDC land)
- Action day team
- Marketing and communications
- Customer experience
- NSH
- New service development
- Licensing HMOs
- Enforcement
- Climate Change (NSDC)
- NSDC Community

Influence

- Food
- Glass (kerbside)
- Trees (non-NSDC land)
- Planning – Population, growth etc.
- Government (national)
- Community – Green Champions
- Climate change (non-NSDC)

Progress since the last Strategy

Recycling and Waste Diversion

The council released its Waste Strategy in 2006 and this was last given a light touch review in 2017. Since the development of that strategy the household waste recycling rates for Newark and Sherwood have improved significantly from 25% in 2004/5 to 32.9% in 2018/19. This is primarily due to the launch and expansion of the garden recycling scheme which continues to grow.

In addition to increasing the amount of material recycled from households the business unit has worked with its partners at Nottinghamshire County Council to develop further opportunities for diverting the waste we collect by launching battery recycling, a recycling scheme for our trade waste customers and recycling street cleansing waste. The remaining (residual) waste is now sent for energy recovery with the result that very little waste is sent to landfill.

Waste Minimisation

The 2006 strategy set a target to maintain the total waste production at 440kg per head of population. This was based on the previous years figures (2004/5). In 2018/19 this figure had fallen significantly to below 372 kg per head. Overall this means that the authority is collecting under 45,200 tonnes of material from household which is less than 2004/5 despite the growth in the population of the district. In 2006 it was predicted that over 64,000 tonnes of material could be collected by 2020 it now appears that that figure will be much lower. This decrease will be due to many factors such as the light weighting by design of items such as glass bottles but such a shift is more likely to reflect a change in the purchasing behaviour of residents and an increased environmental awareness within our communities.

Our Purpose

Newark and Sherwood is a diverse and wide reaching district full of history with a balance of natural beauty and industry spread across a rural landscape interspersed with market towns and national transport connections. Environmental Services are key to Newark and Sherwood's identity by ensuring that all areas of, and gateways to, the district are clean and that the district continues to be green and thus embody Sherwood Forest that gives Newark and Sherwood its international identity. This service also plays a role in working with communities to connect with and empower residents to deliver cleaning and greening objectives. Nature and the environment are at the centre of the District's identity and as such keeping the district clean and green is vital. This is the value of this service area.

Service Vision

Over the next three years the vision for this service is to deliver 'greener' change such as improving recycling, reducing Co2, increasing biodiversity and planting trees, as well as working to deliver behaviour changes such as waste minimisation, whilst still maintaining focus on providing an excellent day-to-day service keeping our customers satisfied, and keeping the district's streets and community led green spaces clean and tidy.

Our intention is to be constantly improving and innovating pushing this service forward and working with residents to achieve community led change. This vision will be delivered through Newark and Sherwood being a 'Leader of Place' leading by example and empowering residents and communities through positive engagement both directly and through empowered individuals known as 'Champions' who will work in their communities helping empower individuals to take responsibility to change their behaviours and lives to increase community pride. We will also work in collaboration with our strategic partners and partners across the Council to develop our District's 'Places'. Our ultimate aim is to make our residents lives better by improving where they live, work and visit thus improving their health and wellbeing.

Environmental Services Strategic Objectives



To improve the district's recycling rate with the aim of maximising our recycling percentage.



Work with communities and partners to 'Green' Newark and Sherwood delivering district wide programmes focusing on tree planting and protecting and enhancing the district's natural environment.



Making Newark and Sherwood 'Clean' with a focus on areas in need by conducting targeted activity in identified communities and tackling key issues.



Work with our communities to create social capital in the 'Green' and 'Clean' agendas and encourage engagement with Environmental Services.



Engage with communities to deliver behaviour change through education and enforcement including campaigns.



Work with key colleagues within the Council to reduce Newark and Sherwood District Council's carbon footprint to offset the impact of Climate Change.



Maximise resources within the unit through efficiencies and commercialisation with the aim any additional resource being reinvested into greening initiatives and service improvements.

Objective One

To improve the district's recycling rate with the aim of maximising our recycling percentage.

Actions to Deliver;

- 1.1 Explore options, and develop a business case, for delivering kerbside separated glass collection with the aim of having a scheme in place for March 2023 preparing for the National Waste Strategy.
- 1.2 In the event 1.1 is not feasible, increase glass recycling rates by;
 - Identifying new glass recycling sites in the district,
 - Refreshing signage and 'look and feel' at all sites,
 - Directing residents to 'Recycle Now' for information on recycling centres in the interim with the intension that the Council will develop their own page and information resources directing residents (see 5.1).
- 1.2 Explore options, and develop a business case, for delivering a food waste collection service with the aim of having a delivery plan in place for March 2023.
- 1.3 Lobby central government for clarity on the National Waste Strategy, the Environment Bill, environmentally friendly design and development and reduction in food packaging. Where appropriate this will be done in conjunction with the Nottinghamshire Waste partnership.
- 1.4 Increase the number of households utilising the Council's garden recycling service by using clear branding and targeted marketing of the service. Work with members to consider using powers of enforcement against residents who contaminate residual bins with garden waste to encourage residents to recycle their green waste using the garden recycling service.
- 1.5 Work with communications to run targeted campaigns for areas with poor recycling rates and/or high contamination rates (see 1.5). Coordinating the Action Team and Environmental Protection Officers to target these areas with the support of colleagues across the Council. Work with members to consider using powers of enforcement against residents who contaminate residual bins with viable recycling.
- 1.6 Increase the number of residents 'reusing and recycling' by;
 - Increasing recycling from non-kerbside sources by developing and promoting the services available hosting a single site where all information is held to direct residents to recycling information,
 - Reviewing, refreshing and relaunching battery kerbside collection scheme, and exploring the feasibility of a small electrical items collection.
 - Reviewing, refreshing and relaunching textile collections at bring banks including rebranding, promotion and consideration of additional sites.
 - Reviewing, refreshing and relaunching specialist bulky waste collection including electrical collection (see 5.2)
 - Reviewing, refreshing and relaunching the Council's composting scheme to encourage residents to compost.
- 1.7 Work with members and neighbouring authorities to consider options for, and develop a strategy for, lobbying Nottinghamshire County Council on recycling legislation. Working at a local level to adapt the Veolia contract to allow more recycling within mixed dry recycling household bins including mixed plastics.

Objective Two

Work with communities and partners to 'Green' Newark and Sherwood delivering district wide programmes focusing on tree planting and protecting and enhancing the district's natural environment.

Actions to Deliver;

- 1.2 Plant trees on NSDC land including parks, green open spaces and other sites such as leisure centres, car parks etc.
- 1.3 Work with key partners to encourage tree planting across the District including Newark and Sherwood residents through free planting schemes and organisations and charities across the district considering corporate social responsibility/ carbon neutrality schemes.
- 1.4 Deliver community 'green' engagement and activities in parks such as community tree planting, community led 'green' awards such as East Midlands in Bloom and a 'green' focused education offer for schools and children.
- 1.5 Continue to develop the Council's parks as recognised community led green spaces that are safe and clean by increasing the number of green flag parks in the district and implementing improvements in Council parks.
- 1.6 Work with the planning system to facilitate the development of 'greening' objectives including;
 - Bio-diversity in new developments,
 - 'Greening' in planning decisions and housing developments,
 - Working to create 'green corridors'
 - Using planting to mitigate flood risk, and
 - Working with planning to build cleansing and recycling infrastructure into housing developments.
- 1.7 Work with key stakeholders to protect and preserve the district's environmental assets, including reserves, SSPIs and ecosystems, and expand these assets by increasing the number of local nature reserves and sites under environmental stewardship schemes in the district, and engage with national programmes such as nature recovery networks and positive management.
- 2.7 Develop an Open Spaces Strategy following a full review of all Council, and HRA, green spaces.

Objective Three

Making Newark and Sherwood 'Clean' with a focus on areas in need by conducting targeted activity in identified communities and tackling key issues.

Actions to Deliver;

- 3.1 Dispatch the Street Scene operatives, led by the Action Team (a multi-skilled street scene team) to targeted areas in need, target communities, town centres in the evenings and at weekends and the 'gateways' to the district including transport hubs and A-roads.
- 3.2 For the work of all Environmental Services officers to help tackle behavioural practices such as littering, fly tipping, graffiti and flyposting through education and enforcement (see objective 5) in collaboration with work across the council such as the Neighbourhood Contract.
- 3.3 Gain a better understanding of the needs across the district through analysis of data collected using a uniform methodology across the Council to identify areas of need and make informed decisions to target services, for example analysing transects data to identify most littered areas and identifying areas with high recycling contamination to receive targeted communications.
- 3.4 Gather data over 2021-22 to inform a full strategic review of bins across the district considering location and provision to improve satisfaction and cleanliness, including the consideration of modern technology, to present a business case late in 2022 to rollout the outcomes of the review in 2023.

Objective Four

Work with our communities to create social capital in the 'Green' and 'Clean' agendas and encourage engagement with Environmental Services.

Actions to Deliver;

- 4.1 Continue to deliver three targeted multi-agency days of action annually, providing free bulky waste collection on the days to discourage fly tipping and delivering mini days of action throughout the year led by the Action Team. Develop a network of volunteers 'Green Champions' through these days (see 4.4).
- 4.2 Work with colleagues across the Council to deliver a programme of recycling actions delivered under the 'Greening' brand (see 5.1) working with communities, businesses and organisations to encourage;
 - Reporting of environmental crimes,
 - Reduction in plastics,
 - Waste minimisation,
 - Use of compostable disposables, and
 - Engagement with other programmes such as Refill Newark and Sherwood.
- 4.3 Developing a cohort of champions to facilitate the delivery of all cleaner and greener objectives. These champions support the delivery of behaviour change in the community with resources and support from Environmental Services officers. Champions across the district working with the council to deliver change connecting with national programmes where appropriate, such as love my park week.
- 4.4 Listen to residents' needs and wants and coordinate with colleagues across the Council to deliver responsive services. Working with colleagues and partners to share knowledge and adapt services for vulnerable residents, identifying their needs and providing appropriate support.
- 4.5 Work with the communications team to communicate the work of the Environmental Services Business Unit to residents using multiple platforms to increase awareness of what the service can do, the challenges it faces and the good work done in the unit.

Objective Five

Engage with communities to deliver behaviour change through education and enforcement including campaigns.

Actions to Deliver;

- 5.1 Communications campaign 'Greening Newark and Sherwood: Your Home, Your Future' badging all 'greener' actions including green waste, composting, green spaces, minimising waste, changing purchasing habits and making recycling regulations easier to understand into a district wide campaign. Alongside this run targeted campaigns directed towards specific areas to tackle key issues such as recycling, littering and dog fouling. This targeted programme would consist of a variety of activities such as school talks, community visits and neighbourhood action days.
- 5.2 Continue to tackle fly tipping through the 'Not in Newark and Sherwood' Campaign encouraging responsible disposal with the lowest price bulky waste service in the district and enforcing against offenders with covert CCTV.
- 5.3 Reduce the number of Environmental crimes committed through increased enforcement activity, and increased profile of said enforcement activities, utilising all officers qualified to for enforcement. Working collaboratively with Community Protection Officers and wardens to ensure that Environmental Protection Officers and Rangers target key areas.

Objective Six

Work with key colleagues within the Council to reduce Newark and Sherwood District Council's carbon footprint to offset the impact of Climate Change.

Actions to Deliver;

6.1 To consider 'green' alternative options for NSDC's fleet by;

- Developing a business plan for electric vehicles for long-term procurement planning for how the Council's fleet can be converted to electric ahead of central government targets,
- Explore options for alternative fuels working with the Nottinghamshire Consortium,
- Utilise an adaptable procurement schedule to ensure best use of vehicles, and
- Procure 'greener' equipment aiming, where feasible, to shift all handheld equipment to be 100% electric by 2023."

6.2 Work with the Asset Management and Car Parks Business Unit to explore solar and vehicle charging options for the Council depot.

6.3 Work with colleagues across the Council, in partnership with communications, to improve recycling at Council sites and reduce the Council's use of single-use plastic and paper through targeted communications campaigns. The Council to lead the programme outlined in 4.2 underneath the programme banner of 'Greener' as highlighted in 5.1.

6.4 Work towards carbon neutrality by balancing carbon recreated by NSDC actions against oxygen created by NSDC green spaces and trees planted by NSDC schemes. This objective is linked to the Climate Emergency Action Plan in development by the Climate Emergency Working Group.

Objective Seven

Maximise resources within the unit through efficiencies and commercialisation with the aim any additional resource being reinvested into greening initiatives and service improvements.

Actions to Deliver;

- 7.1 Deliver innovative efficiencies within the unit such as better utilisation of staff, efficient work scheduling, synergies across the unit, greater information sharing and consideration of technology and new ways of working.
- 7.2 Develop all commercial services including, but not limited to Grounds Maintenance, Trade waste, Garden waste, Bulky waste, MOTs and Vehicle care. Delivery a new commercial marketing strategy focusing all branding on the Council's 'Unique Selling Point' of being ethical, reliable and environmentally friendly.
- 7.3 Consider potential new income streams within Environmental Services and, as appropriate, plan for the development and implementation of any new income streams post-2023.

Delivering this Strategy

Action Plan in appendix one details how these objectives will be delivered including the timescales, activities and measures of success.

Timeline

22 September 2020	Reviewed by Leisure & Environment Committee
24 September 2020	Approved by Policy and Finance Committee
March - April 2021	Action Plan annual review
March – April 2022	Action Plan annual review
November – February 2023	Develop new Strategy
March 2023	Strategy to Committee March 2023
April 2023 Onwards	New Strategy in Place

LEISURE & ENVIRONMENT COMMITTEE 22 SEPTEMBER 2020

ENVIRONMENTAL SERVICES PROJECT UPDATE

1.0 Purpose of Report

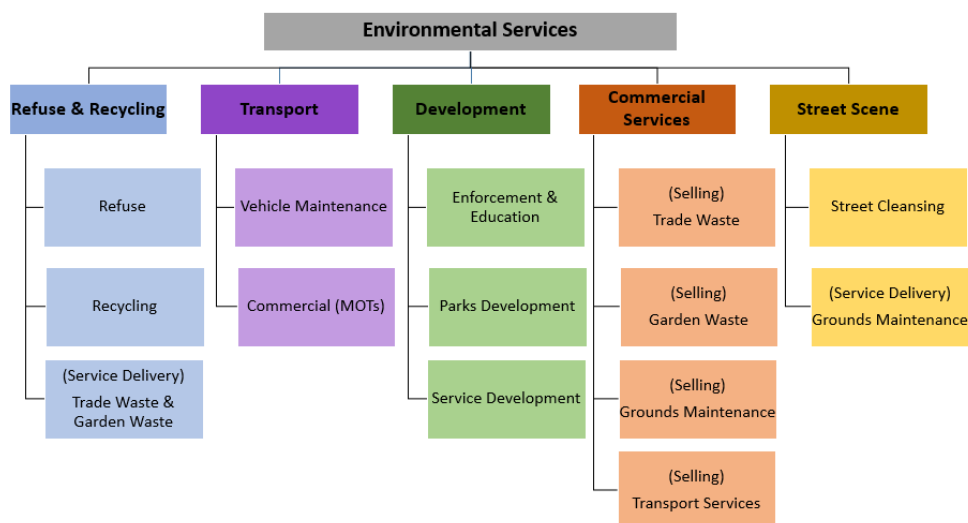
- 1.1 To update members in respect of the project to realign and invest in Environmental Services. This project commenced in September 2019 and the project aimed to realign and refocus the service towards effective delivery of the Community Plan.

2.0 Background Information

- 2.1 The Environmental Services within the scope of the development outlined in this report include; Street Cleansing, Refuse and Recycling, Transport, Parks and Grounds Maintenance. These services now sit within one unit enabling synergies across the functions however these services report into different Committees – namely, cleansing, waste and transport to Leisure and Environment and parks and grounds maintenance to Economic Development. This report will provide an overview of the work done within the project and compliments the Environment Strategy presented at this Committee under separate cover. This Strategy is for 2020-2023 covering refuse, recycling and green spaces and outlines the way forward for the Council over the next three years as the service prepares for national change. This report summarises the work done, and planned, for the development of this service whilst the strategy sets the vision for the service.

3.0 Proposals

- 3.1 The project aim was to develop the services within Environmental Services to a secure foundation through realignment and investment to enable the service to be ready to deliver the objectives outlined in the Community Plan. The project is still ongoing however the majority of the activity undertaken to develop and improve the services has been completed. These activities have been undertaken across the service and this report will review the work undertaken underneath each of the five 'delivery arms' within the newly formed environmental services;



3.2 Restructure

Firstly, the project undertook a service wide restructure to create the five delivery arms within Environmental Services. The aim of the restructure was to realign resource to strengthen street scene functions, improve succession planning and separate commercial services and service delivery to increase income generation and provide a better service for our residents and customers. The restructure was approved at JCC 18 October 2019, consultation took place and the restructure commenced November 2019. The Environmental Services Business Manager is in place as are the Development, Street Scene and Waste and Transport Managers.

3.3 Refuse & Recycling

The main focus for the refuse and recycling delivery arm has been creating efficiencies and realigning services to reflect best practice. This included;

- Utilising the new larger vehicles and increasing driving efficiency by removing a waste round from the programme. The round was removed late February with minimal impact on residents (80 households had their collection day changed). The savings made with the removal of this round are being reinvested into the development of the action team.
- Redesigning the rounds to ensure best use of the waste vehicles by adapting how collections are made to best practice methods.
- A review of the trade waste service to ensure best practice in charging methodology and service delivery, including a transition to zero-based budgeting and the expansion of the trade recycling offer.
- Finally, an additional supervisory resource has been added to ensure efficiency and best practice in service delivery.

3.4 Transport

The project has enabled several actions within transport;

- The restructure included the addition of a mechanic apprentice, set to join the team Summer 2020. They will act as an additional resource and offer a route for succession planning.
- A refresh of the procurement process for vehicles to ensure transparency and best practice, and
- Consideration of sustainable options for our fleet (please see the strategy for details).

3.5 Development

Three functions now sit within development;

- Education and enforcement houses waste enforcement but also leads on changing behaviour through education and thus leads on campaigns and days of action.
- Development leads on reporting and the constant development of the service as a whole considering performance, synergies and efficient use of resources.
- Parks development contains the ranger service as well as a new role Environmental Programme Officer which leads on the green and sustainability agendas including ownership of the 'Greening' campaign encapsulating work to improve sustainability across Newark and Sherwood with a special focus on recycling.

3.6 Commercial Services

The commercial services within Environmental Services are; garden waste, trade waste, bulky waste, transport and grounds maintenance. The service delivery of these functions stays within the appropriate delivery 'arm' however the 'commercial' arm focuses on

'selling' these services this will include brand management, marketing, pricing and customer interaction. Creating a central point for at cost services improves communication and cross marketing. The new Commercial Manager will drive the renewed focus on commerciality working to optimise the income achieved by the service through marketing and communication and consideration of the offer. This will include the potential introduction of a quality and affordable trade recycling offer. The aim is for the Commercial Manager to be recruited in 2021.

3.7 Street Scene

The newly formed street scene delivery arm contains street cleansing and grounds maintenance functions. The following activities have been undertaken;

- In coordination with housing, health and community relations and in response to data gathered through the Residents Survey, the wider district (areas outside of town centres) have been zoned to enable areas that require it to be cleaned more regularly.
- A new street cleansing shift is being introduced allowing town centre cover every weekend and until 6pm Monday to Saturday to ensure that our town centres are well-presented as people commute through or go into town for the evening. Subject to recruitment, this shift will be in place from April 2020.
- A three person 'Action Team' has been created. This multi-skilled team are able to complete cleansing and light grounds maintenance tasks such as pruning, bin installation and pothole filling (on council land only). They will work with the litter hit squads to target key areas and respond to multi-faceted service requests as well as acting as the foundation, in terms of staff presence, for days of action. Subject to recruitment, this team will be in place from April 2020.
- Finally, there has been extensive development of the Grounds Maintenance Service to get this service to a solid foundation from which it can be grown as a commercial service. The following activities have taken place;
 - Alterations to shift patterns to enable greater capacity during summer,
 - A review of all sites to update site schedules ahead of the development of a digital work management/scheduling system,
 - Introduction of a refreshed, and commercial, pricing matrix and service budget,
 - Review of internal SLAs for services delivered in-house, and
 - Working to develop, and populate, a digital system for recording site information and associated tasks. This system is in development. The intention is that the system will cover all aspects of Street Scene.

3.8 Covid-19

This project was expected to close in May 2020 when the reshaped services would become 'Business as Usual' with the Environmental Services Strategy directing service. However, since mid-March the Environmental Services team has been focused on responding to the introduction of new Covid ways of working and this has significantly impacted the wider work of the team. The team were expecting to launch the new multi-skilled hit squad, and this has been delayed as have several actions associated with the project, such as the new Street Scene database and introduction of the new street cleansing shift. The street scene changes and introduction of the new team will happen, however, with the impact of lockdown on waste and cleansing the nature of this rollout will be adapted.

4.0 Equalities Implications

- 4.1 Equalities impact assessments will be completed where appropriate for activities taking place within this project.

5.0 Financial Implications (FIN19-20/4539)

- 5.1 The projected additional costs for the new Environmental Services were included in the 2020/21 Revenue Budget. There will be some additional costs in 2019/20 due to some staff recruitment before the 1st April 2020. These can be covered through current projected underspend within the service. There will be some staff redundancy costs, which have not been finalised yet. There will be a separate report to address this issue if required.
- 5.2 Since the last report to this committee on 24 September 2019, the additional capital budget of £89,410 was approved to purchase three additional vehicles. These will enable the action team to operate and the new shifts to start as per paragraph 3.3 and 3.7.

6.0 Community Plan – Alignment to Objectives

- 6.1 This project works deliver the following Community Plan objectives;
- Improve the cleanliness and appearance of the local environment,
 - Protect, promote and enhance the district's natural environment, and
 - Generate more income, improve value for money and increase residents' satisfaction with the Council (income generation to be achieved by the development of the Environmental Services Commercial Services).

7.0 RECOMMENDATIONS

The progress made in the development of Environmental Services be noted.

Reason for Recommendations

To deliver the improvements required to ensure delivery of the Community Plans' objectives.

Background Papers

Nil

For further information please contact Matt Finch

Matthew Finch, Director - Environment and Communities

LEISURE & ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

PROGRESS REPORT NEWARK AND SHERWOOD YMCA COMMUNITY AND ACTIVITY VILLAGE

1.0 Purpose of Report

- 1.1 To provide members with an update report in respect of building progress at the YMCA Newark and Sherwood Community and Activity Village.

2.0 Background Information

- 2.1 YMCA commenced Phase 1 work at the above site in May 2018 and completed Phase 1 in October 2018. In order to keep members apprised of progress regular update reports will be presented to Leisure and Environment Committee.

3.0 Progress Report

3.1 Phase 1

Phase 1 included the construction of two full size floodlit 3G pitches, a floodlit 6 lane synthetic athletics track and field facility, full perimeter security fencing, temporary changing provision and car parking to facilitate the early operation of the site. The two 3G football pitches and athletics track are fully operational and the feedback from local football and athletics club users has been extremely positive.

3.2 Current Utilisation

Through the period of September 2019 to February 2020, 107 football groups and 27 athletics groups have based themselves at the Village. Nottingham Forest have sessions at the Village and Newark Town Football Club are currently chasing promotion with YMCA putting facility upgrades in place to ensure they are able to secure promotion to the league above next season. Discussions are taking place with Notts County FC for a health programme that could be run in the area and RHP Football Club have increased by 5 teams this season showing growth in participation.

3.3 Installation of Multi-Use Games Courts

YMCA have secured additional funding for the installation of two multi-use games courts which will provide appropriate surfaces predominantly for recreational tennis and netball. They will eventually become fully flood lit courts, but initially will be installed without floodlighting. Charles Lawrence Construction has been selected for the installation of the courts, which will commence in the next four weeks with anticipated completion by the end of May.

3.4 Professional Tennis Courts

YMCA have been in consultation with LTA and Sport England to secure funds to build three professional tennis courts in collaboration with local tennis clubs. However, at present, ensuring financial viability (full-cost recovery with sinking funds) is currently a challenge

based on the discrepancy in current tennis club fees and fees that achieve full-cost recovery. It is anticipated that a viable solution will be developed and agreed over the next several months, releasing funds to build the three tennis courts.

3.5 Cycling

At present the cycling circuit is being reviewed in collaboration with local cycling clubs across the district and British Cycling. At present there is a shortfall of approximately £450,000 to develop the full 750-metre circuit. British Cycling will not support a full circuit as their current focus is mass market and entry into cycling for our geographic area due to other nearby facilities being available and currently underutilised.

A possible solution to release British Cycling funding and other match funding is to build a training circuit to support entry into cycling and road safety and after completion seek additional funding to extend the course into the full 750-metre circuit. This is unlikely to progress until the main building development nears completion, approx. January 2021.

3.6 Skateboard, BMX & Scooter Track

Skateboard, BMX & Scooter Track is anticipated to be fully funded and ready for installation by Summer 2021. The land currently set-aside for this facility will be used to facilitate the main building development during the construction period.

3.7 Phase 2 Community & Activity Village Main Building

The Phase 2 development was initially delayed to realize additional funding resources and to provide additional time to secure agreements with substantial key stakeholders. YMCA is now on track to commence Phase 2 works, currently scheduled to commence Late Spring / Summer 2020 with the construction of the main village building and its immediate surrounds.

R.G. Carter Construction was selected by the YMCA to build the Village building after a full OJEU Procurement process was completed. Final contractual discussions are due to complete by March 31st 2020 to commence building onsite by Late Spring / Summer 2020. The build timeline will support a soft-launch by Summer 2021 and full launch by start of Autumn 2021 in time for sports clubs, nursery and student enrolment.

The Phase 2 building includes: educational classrooms, music and film studios, dance hall, arts suite, changing facilities, large community cafe and kitchen, function spaces, early years nursery provision, classrooms, physio therapy rooms, changing rooms for the entire Village, mental health and NHS consulting rooms, functional fitness and an Olympic standard climbing centre. The addition of multiple VCS, NHS and other delivery partners has increased the building size by 1000 square metres and subsequently, phase 2 build costs are £10.2M inclusive of contingency.

3.8 Community Investment

In April 2020 the YMCA, with the support of Triodos Bank, will launch a retail/crowdfunding Social Investment Bond to further facilitate the capital required to make the full vision of the Village a reality. The Bond will be available for as little as £50 ensuring all individuals

and business could afford to invest in their future and that of the community creating both a social and financial return for those who choose to invest. Investment will subsequently lower commercial lending requirements.

3.9 **Phased launch of the building 2021**

- Completion of Education, Hospitality Wings - confirmed as Late Spring / Early Summer 2021.
- Completion of NHS, Climbing Wall, Gym and Wellbeing suites – confirmed as late summer / early autumn 2021.

3.10 **Community Development Partners**

There has been ongoing work with local partners to establish engagement in the Village as well as sourcing occupants for the upcoming building.

Conversations are ongoing and partners have been identified who meet and agree with the YMCA core values and strategic priorities.

They must also be willing to work collectively both operationally and strategically to support the Village and the community by adopting and working in line with our place-based approach.

3.11 **Education Partners include:**

- | | |
|-------------------------|------------------|
| • Lincoln College Group | • REAL Education |
| • U3A | • WEA |
| • Inspire Culture | |

Each of the Education partners are having discussions to access classroom space in the building as well as accessing other on-site facility usage for their students.

3.12 **Community Health Partners include:**

The YMCA is in discussions with a large number of community health partners, football clubs, the NHS Foundation, local charities and other voluntary organisations. We envisage these partners to be sited within the building accessing various spaces or utilising desk rental. Other options for residence include treatment rooms, workshop space which would also include access to other on-site facilities for their users.

3.13 **Community Arts Partners include:**

- | | |
|--------------------------|---------------------------|
| • Dance 4 | • Next Door Dance company |
| • Inspire Culture | • LOV |
| • Non-such dance company | • Confetti |
| • Tom Dale Dance company | |

The Arts partners would cater for bookings as well as joint delivery on site.

3.14 **Research partners**

Nottingham Trent University will be researching the impact of the YMCA and the activities of its partners on the wellbeing and social mobility of young people and families signed up to NSCAV activities.

3.15 **Other**

DWP and local colleges are being approached to develop apprenticeships and recruitment packages for the new staff team across YMCA Newark & Sherwood

- Childcare
- Housing
- Sports
- Leisure and Music
- Grounds maintenance

3.16 **Businesses**

Discussions are taking place to develop pathways which would provide vocations with the following providers:

- Construction
- Leisure & music industry
- Electronic
- Printing

4.0 **Equalities Implications**

- 4.1 The YMCA is a fully inclusive organisation and will be responsible for ensuring that all operational aspects of project are Equalities Act 2010 compliant.

5.0 **Financial Implications**

- 5.1 There are no financial implications for the Council in relation to this report.

6.0 **Community Plan – Alignment to Objectives**

- 6.1 The YMCA is a key partner and the delivery of this project will contribute towards the delivery of a number of priorities contained within the Community Plan 2019-2023; particularly the objective to ‘improve the health and wellbeing of local residents, with a particular focus on narrowing the gap in healthy life expectancy and other health outcomes’ and to ‘reduce levels of deprivation in target areas and remove barriers to social mobility across the district’.

7.0 **Comments of Director**

- 7.1 I welcome the progress made on what will be a transformational and long-term project with far reaching benefits for residents of Newark and Sherwood. The report provides a helpful update on the funding strategy and particularly the overall levels of financial support rightly offered by the District Council to realise phase 2 of the project.

8.0 **RECOMMENDATION**

That the progress report be noted.

Reason for Recommendation

To provide an update on the progress of the development of the YMCA Community and Activity Village.

Background Papers

Nil

For further information please contact Andy Hardy on Ext 5708.

Suzanne Shead

Director – Housing, Health & Wellbeing

LEISURE AND ENVIRONMENT COMMITTEE

22 SEPTEMBER 2020

ANNUAL REVIEW OF THE EXEMPT REPORTS CONSIDERED BY THE LEISURE & ENVIRONMENT COMMITTEE

1.0 Purpose of Report

- 1.1 To provide the Leisure & Environment Committee with a list of the exempt business considered by the Committee for the period 5 March 2019 to date.

2.0 Background Information

- 2.1 The Councillors' Commission at their meeting held on 25 September 2014 proposed a number of changes in respect of exempt information, one of which being that 'the Committees undertake an annual review of their exempt items at their last meeting prior to the Annual Meeting in May'. This was ratified by the Council on 14 October 2014.
- 2.2 Members will also be aware that the Council agreed a review mechanism for exempt items which was incorporated into the Access to Information Procedure Rules. Rule 18 provides Members with a mechanism to request a review of exempt information with a view to this being released into the public domain should there be substantive reasons to do so.

3.0 Proposals

- 3.1 The following table provides the exempt business considered by the Leisure & Environment Committee for the period 5 March 2019 to date:

Date of Meeting	Agenda Item	Exempt Paragraph	Opinion of Report Author as to current status of the report
19 November 2019	Proposed expansion of the fitness suite and consideration of alternative management arrangements at Southwell Leisure Centre – update	Paragraph 3	Information remains confidential

4.0 RECOMMENDATION:

That the Report entitled: Proposed expansion of the fitness suite and consideration of alternative management arrangements at Southwell Leisure Centre – update, remain confidential.

Reason for Recommendation

To advise Members of the exempt business considered by the Leisure & Environment Committee for the period 5 March 2019 to date and those items which can now be released into the public domain.

Background Papers

Nil

For further information please contact Nigel Hill, Business Manager – Elections & Democratic Services on Ext: 5243.

John Robinson
Chief Executive

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Given the current emergency in respect of the Covid-19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Payment of Management Fees to Active4Today for 2019/20 and 2020/21.

Appropriate Committee: Leisure and Environment and Policy & Finance

Details of Item

This urgency item is required to assist Active4Today (A4T) with financial fluidity and cash flow during the current Covid-19 pandemic as detailed below.

Members will be aware that there is a management fee provision in the annual revenue budget to pay Active4Today should this be required to be paid over based on annual performance. The decision to release the payment is determined on the outturn position and is presented to Leisure and Environment Committee in June for member consideration.

The Council's 3 leisure centres and Southwell Leisure Centre were closed on 17th March and remain so which has impacted on income. Accordingly, the outturn position is expected to present a deficit of circa £3,500 with the retained management fee included in the calculation. Given that the current committee cycle has been suspended until further notice the second instalment for 2019/20 (£60,610) should now be released to assist A4T's cash flow requirements.

In addition, the first instalment for 2020/21 has now been requested by Active4Today (£60,610) along with the management fee for strategic management support to Southwell Leisure Centre Trust (SLCT) (£80,850) in order to assist with cash flow requirements to cover current and ongoing revenue implications.

The proposal is therefore to release the balance of the 2019/20 payment, the first instalment of the 2020/21 management fee (£60,610) and the strategic management support to SLCT (£80,850) in order to support the operational requirements of the District's leisure centres including Southwell which form the A4T leisure offer.

The decision outlined below, as considered and supported by SLT on Tuesday 21 April 2020, is approved under Urgent Delegated decision making powers, to proceed with the payment of management fees as detailed above.

Decision

That the management fee balance for 2019/20, first instalment for 2020/21 and the strategic management support fee to SLCT for 20/21 be paid to Active4Today.

Members Consulted:

Cllr. David Lloyd – Leader of the Council and Chairman of P & F Committee
Cllr. Keith Girling – Deputy Leader of the Council and Vice Chairman of P & F Committee
Cllr. Paul Peacock – Leader of the Labour Group
Cllr. Peter Harris – Leader of the Liberal Democrat Group
Cllr. Gill Dawn – Leader of the Independent Group
Cllr. Roger Jackson – Chair of L & E Committee
Cllr. Neill Mison – Vice Chair of L & E Committee
Cllr. Ronnie White – P & F Committee Member
Cllr. Brendan Clarke-Smith – P & F Committee Member
Cllr. Tim Wendels – P & F Committee Member

All members consulted on 24th April 2020, reports emailed and follow up telephone call or voice mail message left.



Signed

Date 24th April 2020

Director - Communities & Environment

Subject: Inviting expressions of interest via soft market testing for the occupation on a licence of Newark Cattle Market, and investing in its relocation elsewhere in the District

Appropriate Committee: Leisure & Environment

Details of Item:

Newark and Sherwood District Council (the Council) is undertaking an exercise to seek expressions of Interest from general Livestock Market operators to take on the lease and operation of the Newark Livestock Market, Great Northern Road, Newark.

In exploring this interest the Council wishes to be clear that the continued operation of a Livestock Market at the current location is not supported beyond a 2 year period, with the preference being to relate the operation to a new, fit-for purpose site, elsewhere in Newark. A willing host site, which is preferred by the Council, has been identified in principle at Newark Showground. Any operator who expresses an interest to take a licence for 2 years on the current Cattlemarket site will be made aware of this relocation aspiration, including the likely need to invest at least c£6m to realise it. Any interested party will also be made aware that it is unlikely that the Council would extend any licence on the current Cattle Market site.

Decision

Agreement by all Members, save for Cllr Paul Peacock who expressed some reservations around the need to take this step given the clear uncertainties around the longevity and viability of the cattle market and regarding the need to understand the longer-term aspirations for the Cattle Market site.

Members Consulted:

Councillor David Lloyd	27 th April 2020
Councillor Keith Girling	6 th May 2020
Councillor Roger Jackson	27 th April 2020
Councillor Paul Peacock	5 th May 2020
Councillor Peter Harris	5 th May 2020
Councillor Jill Dawn	5 th May 2020

Signed 

Date 7th May 2020



Date 7th May 2020

Subject: Reinstatement of Garden Recycling Services

Appropriate Committee: Leisure & Environment and Policy & Finance

Details of Item:

On 23 March 2020 the Government imposed restrictions on working patterns and instigated a number of preventative measures including physical distancing. As a result of these measures the Environmental Services Team was forced to undertake a number of preventative actions and suspend all but essential services. Since then the team has been working to restore services and reallocate departmental resources in new ways.

Refuse collection vehicle cabs are just under 2m wide and normally accommodate 3 people; due to the distancing restrictions and in accordance with industry guidance this has been reduced to 2. Our team has responded admirably to the challenge and almost all front line services have been restored. This has been achieved by doubling the number of collection vehicles on most rounds.

The only service that we have been unable to re-instate is garden recycling. All of our collection vehicles are now dedicated to our essential services (residual, recycling and clinical wastes) and our other two 'paid for' services of bulky and trade waste collections.

Since the cessation of the service, officers have been working to try and find solutions that will allow us to reinstate the service but more importantly protect our staff. A number of collection solutions have been used by other local authorities, including private cars; vans and mini buses. All are either unsuitable because of the size of the district, the setup of the rounds with finish points a long way from start points or quite frankly too risky to health. Having taken the time to embed completely new ways of working and allow our staff "get to grips" with completely new rounds we are in a position to make slight alterations, take staff from other areas of the business and utilise one of our spare trucks together with 2 additional hired vehicles to make the garden recycling collections viable.

We propose that the garden recycling service is restored, although this will involve an ongoing cost. The existing garden recycling collection vehicles have been allocated to core services and until the distancing rules are relaxed it won't be possible to release them.

We have evaluated our existing arrangements and we can utilise one of our spare vehicles in the short term but we will need to hire an additional 2 vehicles. The staffing for these rounds will come from other areas of the service as well as new staff that have been recently introduced.

Members will be aware that subscribers to the service have already paid for the 2020/21 financial year and reinstating the service will ensure that we do not need to refund all of the monies already taken or be in a position where we have to offer free services or huge discounts next year. Currently the council is informing residents that subscribers who remain with us will be discounted next year according to how many collections were missed. Therefore the more time goes by without a service the more discount will be required and a bigger under recovery for the next financial year will be realised. In addition members will also be aware of the public feeling over this service postponement as well as the amount of fly tipped garden waste and complaints about fires. Add to that the loss in

recycling percentage and the weight of residual bins where residents are placing some of their garden waste/recycling and the impact can be truly seen.

Based on the assumptions above, the service will require £2,150 per week. This consists of vehicle hire of £1,700 per week, and £450 per week for additional staffing costs, (£15 per day for additional payment during the pandemic alterations). There will be an impact on the cost of fuel and maintenance but these costs have been accounted for elsewhere within the current budget. Currently the projected income for Garden Recycling is £68,000 under recovered. Some of this is due to the pandemic. If the social distancing requirements continue for the remainder of this financial year, the full year cost will be £93,170 (assuming the service restarts 1st June). For this to continue for 6 months, to the end of November, the cost will be £55,900. There is not sufficient current budget to cover these additional costs.

The Council's Reserves are sufficient to cover the additional costs highlighted above, if agreed. Financial Services have checked the figures and confirmed this.

Decision

To reinstate the garden recycling service with the funding to come from Council's reserves.

Members Consulted:

Cllr. David Lloyd – Leader of the Council and Chairman of P & F Committee
Cllr. Keith Girling – Deputy Leader of the Council and Vice Chairman of P & F Committee
Cllr. Paul Peacock – Leader of the Labour Group
Cllr. Peter Harris – Leader of the Liberal Democrat Group
Cllr. Gill Dawn – Leader of the Independent Group
Cllr. Roger Jackson – Chair of L & E Committee
Cllr. Neill Mison – Vice Chair of L & E Committee
Cllr. Yvonne Woodhead – Opposition Spokesperson of L & E Committee



Signed:
2020

Date 22 May

Matthew Finch
Director - Communities & Environment

Subject: Car Parking Charges Review – Covid-19

Appropriate Committees:

Leisure & Environment
Policy & Finance
Economic Development

Details of Item (including reasons for use of urgency procedure):

Members may be aware that since the start of the Covid-19 pandemic enforcement of parking charges for NSDC car parks has been frozen, meaning that car parks have essentially been 'Free of Charge' since 4th April 2020. External communications have focused on the ability of car parking availability to be utilised by key workers and the wider community accessing essential shops and services which remained open (such as pharmacies for example).

As the economy slowly reopens (non-essential retail can open from 15th June, with others sectors likely to follow on 4th July) it is necessary for us to revisit when we will again enforce car parking charges. For awareness Nottinghamshire County Council have informed all Districts that on-street parking enforcement will resume imminently.

Some local authorities are reintroducing charging regime in full from 1st July 2020. Others are considering offering a short period of free parking whilst the economy reopens.

Current Car Parking Capacity

Within the last 2/3 weeks there has been a noticeable increase in the use of the Council's car parks to such a degree that most of our car parks are now close to capacity on most days of the week. This is a position which exists without the majority of Newark shops being open for trading. There is a concern that if we simply extended free parking on an all-day basis that shops which are re-opening would simply not benefit. This is aside from the significant financial impacts for the Authority from the loss of all car parking income.

In order to strike a balance between assisting the reopening of the economy and actually creating a level of car parking capacity for shoppers to use it is proposed that a 2 hour free parking regime be adopted until 31st August 2020 (between the hours of 08.00-17.59). It is also recommended, again until 31st August, that parking after 18.00 continues to be free in terms of assisting the night-time economy. From 1st September all car parking tariffs would be reinstated to previous levels.

In order to affect this change all parking machine software would be amended and additional signage would be installed. In practical terms customers would obtain a 0-2 hour 'Free Parking' ticket by pressing the ticket issue button on the parking machine. This would need to be displayed inside the vehicle.

Members are advised that this proposed recommendation will come at a significant cost for the 2 month period suggested. This is in addition to revenue income already lost. It is proposed that communications are clear that this is a time-limited measure in order to assist re-opening.

Equalities Implications

Members will be aware that our car parks are subject to statutory requirements in operating to adhere to relevant equalities legislation. The new regime would also be subject to a Covid-Secure risk assessment that will consider any equalities implications.

Financial Implications

Members will be aware that the pandemic has already inevitably impacted upon car parking fee income with the service not collecting fees since the lockdown began. It is estimated that the proposals for free parking for 2 hours for this additional 2 months will lead to an assumed loss of around £50,000 (based on comparison to last year's figures). There is an additional cost of £3,000 to implement software and signage changes. This additional cost can be funded from the Government funding received relating to Covid-19.

In context, the annual income estimated for car parking is £843,000. Based on current forecasting (which assumes this proposal for 2 hours free parking is approved and that car parks are not full from the start), it is expected that fees will be £348,133 for this year, an overall loss, due to Covid-19 of £494,867. This assumes a reduction of 40% usage for the remaining 9 months of the year. This loss, as with any other financial consequences of Covid-19 will be presented to Government.

Decision

That between 1st July and 31st August, inclusive, NSDC adopts a policy of free parking between 18.00-07.59hrs and the first 2 hours between the hours of 08.00-18.00 Monday-Sundays (inclusive).

Reason for Decision

To assist with reopening the economy as the Covid-19 lockdown restrictions are lifted.

Members Consulted:

Councillor David Lloyd – Leader NSDC, Chairman – Policy & Finance	11 th June 2020
Councillor Paul Peacock – Leader of Opposition	10 th June 2020
Councillor Gill Dawn – Leader, Independent Group	11 th June 2020
Councillor Peter Harris – Leader, Liberal Democrat Group (no reply)	10 th June 2020
Councillor Roger Jackson – Chairman, Leisure & Environment	10 th June 2020
Councillor Keith Girling – Chairman, Economic Development	11 th June 2020



Signed:
Director – Growth & Regeneration

Date: 11 June 2020

Subject: Parish & Town Council Initiative Fund and Community, Sports & Arts Grants Scheme

Appropriate Committees: Leisure & Environment, Homes & Communities and Policy & Finance

Details of Item

This urgency item is required to secure delegated authority to make grant awards under the Parish & Town Council Initiative Fund and the Community, Sports & Arts Grants Scheme in order to comply with the Council's Constitution and Financial Regulations.

Members will be aware that the Parish & Town Council Initiative Fund was approved by Policy & Finance Committee on 26 September 2019. However, the recommendation did not secure the necessary officer delegation to the appropriate Director to confirm the grant awards based on the recommendations of the Member Panel.

The Member Panel established by the Policy & Finance Committee met virtually on 21 May 2020 and the notes from this meeting are attached as an appendix to this urgency item. This urgent decision gives delegated authority to the Director – Housing Health & Wellbeing, following consultation with the Member Panel, to make the grant awards in accordance with the Council's approved Constitution and Financial Regulations. This delegation covers the decisions made on 21 May 2020 and future panel meetings going forward.

This urgency item also clarifies the position in respect of the Council's Community, Sports & Arts Grant Scheme. This scheme has been in operation for many years and was last reviewed when the Council operated a Cabinet System of decision-making. During this period of administration, the Portfolio Holder had delegated power to make decisions on grant awards through this scheme. However, following the return to the Committee System the recommendations of the Member Panel (Chairman and Vice Chairman and Opposition Spokesperson of Leisure & Environment Committee) are now to be delegated to the Director – Housing, Health & Wellbeing for decision, to ensure that the decisions are in accordance with the Council's approved Constitution and Financial Regulations.

Decision

That the Director – Housing, Health & Wellbeing be given delegated authority to approve grants based on Member recommendations through the Parish & Town Council Initiative Scheme and the Community, Arts & Sports Grant Scheme to ensure that the decisions are in accordance with the Council's approved Constitution and Financial Regulations.

Members Consulted:

Cllr. David Lloyd – Leader of the Council and Chairman of Policy & Finance
Cllr. Paul Peacock – Leader of the Labour Group/Opposition Spokesperson for Policy & Finance
Cllr. Peter Harris – Leader of the Liberal Democrat Group
Cllr. Gill Dawn – Leader of the Independent Group
Cllr. Roger Jackson – Chairman of Leisure & Environment
Cllr. Yvonne Woodhead - Opposition Spokesperson for Leisure & Environment
Cllr. Tim Wendels – Chairman of Homes & Communities
Cllr. Kath Arnold - Opposition Spokesperson for Home & Communities

All Members consulted on 18 August 2020, Urgency Item emailed and follow up telephone call or voice mail message left.

Signed: 

Date: 24 August 2020

Director – Housing, Health and Wellbeing

Forward Plan of the Leisure & Environment Committee Decisions from 1 September 2020 to 19 January 2021

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 Sept	Active4Today Annual Report and Outturn (Q4)	leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
22 Sept	Active4Today Covid-19 Update and Performance (Q1)	Leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
22 Sept	Active4Today Governance Agreement	Karen.white@newark-sherwooddc.gov.uk
22 Sept	Environmental Services Strategy	matthew.adey@newark-sherwooddc.gov.uk
7 Nov	Active4Today Draft Business Plan and Performance (Q2)	Leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
7 Nov	N&S Health & Wellbeing Partnership Plan – Annual Update	leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk helen.ellison@newark-sherwooddc.gov.uk
17 Nov	Physical Activity and Sports Plan 2018-2021 – Annual Update	leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk

17 Nov	Mental Wellbeing – presentation from Charitable/Voluntary Group.	leanne.monger@newark-sherwooddc.gov.uk helen.ellison@newark-sherwooddc.gov.uk
17 Nov	Hawtonville Community Centre and Reach Update and Lease Arrangements	andy.hardy@newark-sherwooddc.gov.uk
17 Nov	YMCA Community and Activity Village Update	
19 Jan	Active4Today Final Business Plan and Performance (up to end Nov - part Q3)	Leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
19 Jan	Public Health/Active Notts Physical Insight Project	Leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
19 Jan	Clinical Commissioning Group (CCG) Update regarding how their work is affecting the District	leanne.monger@newark-sherwooddc.gov.uk