

LEISURE & ENVIRONMENT COMMITTEE

22 MARCH 2022

ACTIVE4TODAY - BUSINESS PLAN – 2022/2023

1.0 Purpose of Report

1.1 This purpose of this report is to present the Active4Today (A4T) Business Plan 2022/23 for Committee consideration and approval.

2.0 Background Information

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

2.2 As part of the governance arrangements, A4T presents its Business Plan for the following year to the Leisure & Environment Committee for consideration during the Autumn Committee cycle. The Draft Business Plan, 2022/23 was reported to this Committee at its meeting on 25th January 2022 for consideration and comment. On the basis that no further comments have been received the Plan 2022-2023 (Appendix A) is now presented for approval.

3.0 Business Plan Overview

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

3.2 Committee will be aware that the A4T commenced a phased re-opening of its facilities in accordance with the Government’s Covid Recovery Road Map wef 12th April 2021 following a period of closures as a result of the pandemic. The impacts of Covid have had a significant negative impact on the business activity for the Company and accordingly the Business Plan presented has a clear focus on business recovery to rebuild memberships and usage to pre-covid levels.

3.3 The Business Plan provides an insight in to what the Company intends to focus on in relation to its three core aims of ‘Healthy and active lifestyles’, ‘Accessible facilities’ and ‘Financial viability as detailed in the Aims and Actions section. In addition the Company is proposing to undertake a number of sports development initiatives, targeting hard to reach groups and work in areas which are traditionally challenging in terms of lower participation in sport and physical activity.

3.4 Throughout the last financial year the Company has scrutinised income and expenditure to ensure that the latest operating costs are fully considered in order to forecast a realistic

proposal for the 2022-2023 budget. In addition assumptions have been made when compiling this budget which includes:

- Covid-19 restrictions not changing from the present position;
- Cost of living increases for salaries not increasing over the estimated 2%;
- Memberships continuing on the current trajectory, which is intrinsically linked to Covid-19;
- All facilities continuing to be available for operations;
- Utilities estimates being within the parameters expected;
- Pensions continuing at their current rate and not increasing further; and
- National insurance and VAT remaining the same as the current costs.

3.5 In view of the above, A4T are forecasting a management fee for the 2022/2023 financial year of £500k, to support its operations including its Covid recovery activities. This amount contains a combined management fee, taking account of Southwell Leisure Centre joining the Company. This figure includes £174k of pension costs associated with the pooling agreement and the increased costs associated with the Southwell Leisure Centre employees.

3.6 This forecasted figure supports the operations of four leisure centres and the sports development team, which members will be aware, brings no income into the Company, with the exception of grant funding, which is specifically attributed to the projects it supports. The sports development team however, contribute to the exceptionally important social benefits within the district, directly supporting hard to reach individuals and organisations and promoting the benefits of an active and healthy lifestyle.

4.0 Equalities Implications

4.1 The business plan and performance framework includes a range of measures that demonstrate work in progress to improve inequalities in sports and leisure participation. However, price increases which have been set out in the business plan may have an impact on those on lower income, however, further support is provided to various groups and individuals, through the inclusivity strategy. All information will continue to be available in a number of formats in line with A4T's access requirements and its commitment to support the principles of equalities and diversity as set out in its Equality Policy.

5.0 Digital Implications

5.1 The Company already uses multiple digital solutions in the performance of its operations. Moving forwards A4T will work closely with the Council's ICT team to develop further digital solutions as deemed appropriate to ensure that customers are assisted in self-serve as far as is reasonably practicable in order to meet the Council's Digital Agenda and Local Digital Declaration.

6.0 Financial Implications FIN21-22/9916

6.1 The Company are forecasting an overall requirement of £500,000 for the 2022/23 financial year, which includes a budgeted transfer to reserves of £50,000 in order to continue to rebuild the Company's reserve position. This budget provision is included in the 2022/23 NSDC General Fund budget.

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 A4T 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 its objective to ‘Improve the health and wellbeing of local residents’.

8.0 RECOMMENDATIONS that:

the Active4Today Business Plan 2022/23 be approved.

Reason for Recommendations

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

Background Papers

Nil

For further information please contact Andy Hardy on Ext 5708

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