



Report to: Executive Shareholder Meeting: 12th September 2023

Portfolio Holder: Cllr Paul Peacock, Strategy, Performance and Finance / Susan Crosby
Health, Wellbeing & Leisure

Director Lead: Suzanne Shead

Lead Officer: Cara Clarkson, Business Manager Regeneration and Housing Strategy,
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Report Summary	
Type of Report	Non-Key Decision
Report Title	Active 4 Today Performance Outturn
Purpose of Report	This report presents the performance of Active 4 Today for the period to July 2023 (Period 4).
Report Recommendations	That Cabinet note the performance of A4T to Period 4.
Alternative Options Considered	None
Reason for Recommendations	To ensure that the shareholder has assurance and oversight of the company's performance ensuring that the company continues to deliver the outcomes required by the Council as aligned to the Councils Community Plan.

1.0 Background

- 1.1 The Council's wholly owned 'not for profit' leisure company, Active 4 Today (A4T) has been delivering leisure and sports development on behalf of the Council since 2015. This includes the management of four leisure centres: Blidworth, Dukeries, the Newark Sports & Fitness Centre and most recently Southwell Leisure Centre.
- 1.2 Prior to the establishment of the Executive Shareholder Committee, performance of the company was overseen by the Leisure and Environment Committee.
- 1.3 The appended documents attached to this report are:
- A. Active4Today Update Report 1st April 2023 to 31st July 2023 (Period 4)
 - B. Active4Today Performance Indicators 1st April 2023 to 31st July 2023
 - C. Active4Today Sports Development Report 1st April 2023 to 31st July 2023

2.0 Performance Overview

Business Performance – income generation

- 2.1 The company's performance with regards membership and usage, remains relatively stable. After a slight drop in memberships in April and May, these have built back up to 11,729 total memberships across all sites (see section 8.10 in **Appendix A**).
- 2.2 At section 5.1 of Appendix A, the company notes that two of three planned internal audits have been completed by Wright Vigar. These have been undertaken on direct debit membership and card and online income. Both audits have resulted in positive audit findings with the second noting: *"Process, systems are well implemented and documented and no major or minor non-conformances have been found"*.
- 2.3 Wright Vigar will commence the final of the three internal audits in September 2023 on VAT processes and returns, the results of this audit will be shared with the Shareholder Committee at a future meeting.
- 2.4 The company has supported the District Council's application to the Swimming Pool Support Fund, which is being administered by Sport England. This fund is aimed at supporting public swimming pools with the huge rises in energy costs, which has been experienced over the last three years. The NSDC/A4T submission has requested a grant totalling £187,539 for support in the operation of the three leisure centres operating five swimming pools.
- 2.5 The Summer Fit Pass promotion proved successful and offered a 4-week period in June. The promotion sold 481 passes, an increase of 51 on 2022. Staff are now following up with individuals, providing them with a special offer to join a direct debit membership to convert these temporary passes to memberships where possible.

Cost Increases

- 2.6 The company notes a significant increase in utilities costs that must be managed. At section 1.7 in Appendix A, the company demonstrates how utilities have increase from 2021/22 to the 23/24 forecast by £658,000. The overall cost of utilities for the four leisure centres, now accounts for a spend of over £960,000 per annum. As a result of the increases in utilities, there is also an indirect cost associated with irrecoverable VAT which will be higher than forecasted, with the Company estimating an increase of approximately £25,000. Further details can be found in section 3 of Appendix A.

Community Impact

- 2.7 In response to the ongoing impact of the cost of living and economic climate, free swimming sessions have been offered at Dukeries Leisure Centre during school holidays. The impact from these sessions in terms of attendance, will be reported to the next Committee.
- 2.8 Section 7 in Appendix A outlines the company's performance against the actions within the business plan. Whilst it is noted that some really positive impact has been delivered (e.g. the targeting of over 60 year olds through networking with health professionals, and other community groups has delivered an increase in users over 60 - 43,500 visitors

from this age group using the leisure centres up to 31st July 2023, compared to 35,323 for the same period in 2022, there remain a number of actions where delivery has yet to be evidenced or the action is paused or in planning and yet to start. These actions will be monitored closely by the council over the next monitoring period.

- 2.9 The impact of staff loss, retention and recruitment will also be monitored with A4T to ensure that the community impact within the business plan continues to be delivered.

3.0 Recommendations

- 3.1 That the performance of the company at **Appendices A, B and C** are noted.

4.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding and Sustainability, and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

4.1 Financial Implications (FIN23-24/7366)

The current budgeted management fee payment to Active4today within the Councils budget is £487k for financial year 2023/24. The update report at Appendix A for Active4today for the period up to 31st July indicates a financial increase in the management fee requirement to £500k at para 3.3.VII. The increase management fee requirement of £13k will be reported in the Council's quarter 2 budget monitoring and will need to be closely monitored with Active4today.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None