

## **LIBERTY LEISURE LIMITED BUSINESS PLAN 2024-2027**

The Liberty Leisure Limited Business Plan ensures that the company's projects and performance develop the business objectives of the company while contributing towards the priorities of Broxtowe Borough Council.

This plan outlines the project priorities that Liberty Leisure Limited will implement to develop the company so it can continue to exceed the business objectives agreed with Broxtowe Borough Council.

The priority of the company is to deliver an efficient service for Broxtowe Borough Council while continuing to make contributions to the Council's Corporate Plan priority of Leisure and Health. The company delivers a programme of opportunities to have a positive impact on the health of local people, to do this Liberty Leisure Limited is guided by the Service Agreement with the Council.

The business plan focuses on the delivery of actions for the coming financial year. A suite of milestones and Key Performance Indicators (KPI) will be used to monitor progress against key tasks and targets.

**The Council's Vision for Broxtowe is 'a greener, safer, healthier Broxtowe where everyone prospers'.**

**Liberty Leisure Limited's values that contribute to the Councils vision are:**

- Innovation – Constantly evolving our offering
- Care – Caring for our community
- Employees – recognising our staff and ensuring a happy workforce for all
- Integrity – always acting with integrity
- Value – Delivering value for all
- Fun – Vibrant and diverse leisure, culture and events that enrich lives

**Liberty Leisure Limited specifically contributes to Broxtowe's Corporate Plan by:**

- Encouraging active and healthy lifestyles in every area of the Borough
- Supporting the council to produce and deliver its Leisure Facility Strategy

## 1. PUBLISHED STRATEGY AND POLICY DOCUMENTS SUPPORTING THE DELIVERY OF PRIORITIES AND OBJECTIVES

Strategy/Policy Document	Purpose of Document	Renewal Date	Responsible Officer/Contact
Broxtowe Leisure Facilities Strategy	The future of leisure facilities within the Borough of Broxtowe	March 2021	Deputy Chief Executive
Broxtowe Borough Council Corporate Plan	The Council's overarching plan for its priorities, targets and objectives. The plan sets out priorities to achieve the vision to make “Broxtowe a great place where people enjoy living, working and spending leisure time” with focus on the priorities of Housing, Business Growth, Community Safety, Health and Environment.	April 2024	Chief Executive
Get Active Delivery Plan <i>(Previously Sports Strategy)</i>	Providing the opportunity, motivation and support to enable people to be more active than ever before	From March 2023. Action plan to be reviewed annually	Managing Director
Joint Use Agreement	Provides legal framework for the management of the joint-use facilities in partnership with Notts County Council and school governing bodies	Agreement with Chilwell School subject to 2 years notice	Managing Director/Deputy Chief Executive
Licence to Occupy	Provides an operating agreement with EMET / Kimberley School	Sept 2022 to August 2024 subject to review and 3 months termination notice	Managing Director/Deputy Chief Executive

## 2. LIBERTY LEISURE LIMITED VISION AND VALUE

### Promote active and healthy lifestyles in every area of Broxtowe (He1)

Service Areas covered by this Plan	Service Objectives
Vision	Leisure and Health at the heart of our community
Mission	To earn the lifelong loyalty of our customers through delivering first class leisure and health opportunities
Values	<ul style="list-style-type: none"> <li>• INNOVATION – constantly evolving our offering</li> <li>• CARE – caring for our community</li> <li>• INTEGRITY – always acting with integrity</li> <li>• SAFETY – provide safe and secure facilities and events</li> <li>• VALUE FOR MONEY – delivering value for all</li> <li>• EMPLOYEES – recognising our staff and ensuring a happy workplace for all</li> <li>• FUN – vibrant and diverse leisure, culture and events that enrich lives</li> </ul>
Operational Areas	<ul style="list-style-type: none"> <li>• Bramcote Leisure Centre; Chilwell Olympia</li> <li>• Get Active</li> <li>• Business Development</li> </ul>

### 3. MEASURES OF PERFORMANCE AND SERVICE DATA

#### PERFORMANCE INDICATORS

All of the 2024/25 targets assume that LLL will operate Bramcote Leisure Centre and Chilwell Olympia only. No targets are included for Hickings Lane, from 2025, this will be amended once a date to commence operating is confirmed and a business case is approved

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Total Attendances for Liberty Leisure Limited LLLocal_G02	1,685,140	237,626	913,122	974,368	900,000	700,000	705,000	Managing Director 200,000 attendances are lost from Kimberley

Indicator Description (Pentana Code)	Achieved 2019/20	Achieved 2020/21	Achieved 2021/22	Achieved 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Indicator Owner and Comments (incl. benchmarking)
Total number of members (fitness and swim school) <a href="#">LLLocal_G12</a>	8,175	1,410	7,149	7,214	8,170	5,650  <u>GYM</u> BLC = 2,680 CO = 470 Exercise Referral = 284  <u>SWIM SCHOOL</u> BLC = 2,150	5,850  <u>GYM</u> BLC = 2,790 CO = 500 Exercise Referral = 339  <u>SWIM SCHOOL</u> BLC = 2,180	Managing Director Business Manager  Targets are taken from the annual sales forecasting
Total Number of Annual Direct Debits Collected <a href="#">LLLocal_G06</a>	96,402	16,923	69,199	81,571	94,000	65,950 <u>GYM</u> = 40,450 <u>SWIM</u> = 25,500	69,900 <u>GYM</u> = 43,900 <u>SWIM</u> = 26,000	Managing Director Business Manager  Targets are taken from the annual sales forecasting
Percentage of direct debits collected <a href="#">LLLocal_G13</a>	98.2%	97.8%	98.1%	96.8%	98.4%	98.4%	98.4%	Managing Director Business Manager

<b>Indicator Description</b> ( <a href="#">Pentana Code</a> )	<b>Achieved 2019/20</b>	<b>Achieved 2020/21</b>	<b>Achieved 2021/22</b>	<b>Achieved 2022/23</b>	<b>Target 2023/24</b>	<b>Target 2024/25</b>	<b>Target 2025/26</b>	<b>Indicator Owner and Comments</b> (incl. benchmarking)
Total Income (excluding management fee) <a href="#">LLLocal_G05</a>	£3.857m	£3.350m	£2.955m	£3.026m	£3.249m	£2.476m	£2.588m	Managing Director Income is dependent on membership growth which will be impacted by a decision to replace the gym equipment
Operating Expenditure (including central charges) <a href="#">LLLocal_G04</a>	£4.593m	£4.118m	£3.466m	£3.886m	£3.754m	£2.961m	£3.033m	Managing Director Expenditure changes include outcome of staffing restructure and a view of general increasing costs including the annual pay award
Management Fee from the Council to Liberty Leisure Ltd <a href="#">LLData_G05</a>	£1.030m	£0.995m	£0.850m	£0.745m	£0.519m	£0.369m	£0.219m	Managing Director

<b>Indicator Description</b> ( <a href="#">Pentana Code</a> )	<b>Achieved 2019/20</b>	<b>Achieved 2020/21</b>	<b>Achieved 2021/22</b>	<b>Achieved 2022/23</b>	<b>Target 2023/24</b>	<b>Target 2024/25</b>	<b>Target 2025/26</b>	<b>Indicator Owner and Comments</b> (incl. benchmarking)
Subsidy per visit all service areas <a href="#">LLLocal_G07</a>	38.0 pence	57.8 pence	49.7 pence	48.1 pence	57.7 pence	52.7 pence	31.1 pence	Managing Director Calculation is the Management fee received divided by attendances 2023 onwards excludes Cultural Services
Liberty Leisure Limited – Reserve balance <a href="#">LLLocal_G15</a> (New)	-	-	-	£0.487m Surplus	£0.444m Surplus	£0.349m Surplus	£0.165m Surplus	The Company's reserve is forecast to be in deficit during the 2026/27 financial year New performance indicator 2024/25

#### 4. KEY TASKS AND PRIORITIES FOR IMPROVEMENT 2023/24 – 2026/27 INCLUDING COMMERCIAL ACTIVITIES

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Complete a staffing restructure to best fit the reduced leisure operation delivered by the company</p> <p>LL2427_G01 (New)</p>	<p>Have a staffing structure that is suitable for the company's changed operating circumstances, providing improved financial efficiency and greater operating flexibility</p>	<p>Broxtowe Borough Council</p>	<p>Managing Director</p>	<p>The reduction in services delivered by the company necessitates the need to reduce the central costs of managing the company. The annual saving is £64k. By restructuring the senior management team will mitigate the changes without Kimberley Gym and Swim and the reduction in the Management Fee to be received for 2024/25</p> <p>The management team would operate with three senior managers with the Managing Director role being removed</p> <p>Roles and responsibilities will be changed and reporting to the Board of Directors will be updated to reflect the changes and to ensure good governance</p>



Description ( <a href="#">Pentana Code</a> )	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Investigate the possibility of adopting the 'Agency Agreement' model for the operating of leisure services <a href="#">LL2427_G02</a> (New)	Review the possibility of minimising the operators VAT liability	Broxtowe Borough Council	Managing Director Head of Finance	It may be possible to operate an 'Agency Agreement' enabling the operator to not pay VAT on both its sales and purchases
Alternative leisure provision in the north of the Borough <a href="#">LL2427_G04</a> (New)		PCN Broxtowe Borough Council – Durban House		The company will work with the PCN to support the need to reduce health inequalities in the north of Broxtowe. Specifically, the company will: <ul style="list-style-type: none"> <li>• Continue to deliver weekly postural stability classes in Eastwood and will explore opportunities to expand this provision</li> <li>• Review the change in Exercise Referral opportunities available in the North of the Borough to either be delivered directly by the company or in partnership with others</li> </ul>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Review the support services and charges provided by Broxtowe Borough Council (BBC)</p> <p>LL2427_G03 (New)</p>	<p>Rationalise the support services provided to the company by BBC so that there are improved financial and operational efficiencies</p>	<p>Broxtowe Borough Council</p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• ICT</li> <li>• Payroll</li> <li>• Human Resources</li> </ul>	<p>Managing Director</p>	<p>The support services required by the company will be reduced for the year 2024-25. Reduced services include:</p> <ul style="list-style-type: none"> <li>• Fewer ICT assets required and a reduced demand on the support services</li> <li>• Reduced number of staff requiring processing by Payroll</li> <li>• Reduced number of staff accessing Broxtowe Learning Zone and Broxtowe Benefits</li> <li>• Reduced number of Audits and Purchasing</li> </ul> <p>Services for 2024/25 need to be reviewed, an estimated cost reduction of £16k from £230k to £214k is included in the 2024/25 budget</p> <p>The proposed staffing re-structure, and changes to responsibilities allows for Accountancy to be moved in house resulting in an additional saving of approximately £15k in the year 2025/26</p>

Description ( <a href="#">Pentana Code</a> )	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Develop a business case to support Liberty Leisure Limited operating the new Hickings Lane Pavilion</p> <p><a href="#">LL2427_G05</a> (New)</p>	<p>Liberty Leisure Ltd to operate a financially sustainable facility at Hickings Lane from 2025/26</p>	<p>Broxtowe Borough Council Football Foundation Stapleford Town Football Club Primary Care Network Steven Gerrard Academy Gladstone – Leisure Management System Procurements required include: Purchase of proposed fitness equipment</p>	<p>Managing Director Regeneration Projects Manager (BBC) Operations Manager</p> <p>Start April 2023 End August 2024</p>	<p>A number of outstanding issues are to be resolved before a business case can be finalised detailing the true budget implications of operating the site</p> <p>Financial implications will come into effect from April 2025 - March 2026 (a part year probably 9 months) with a full operating year being 2026/27. Revenue estimates will be included in the LLL medium term budget planning</p> <p>The financial and operation details for operating the site from 2025 will be included in the 2025/28 business plan</p> <p>Liberty Leisure Ltd require both Broxtowe Borough Council and/or the Stapleford Towns Delivery Board and the company's Board of Directors to approve the company becoming the site operator</p>

Description ( <a href="#">Pentana Code</a> )	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Support Broxtowe Borough Council in the development of a new leisure facility at the Bramcote site  <a href="#">LL2225_G01</a>	LLL provide operational expertise to the council to ensure that the new facility has an achievable business plan, that design and layout will meet customer expectation and enable required efficiencies to be achieved	Broxtowe Borough Council	Managing Director / Operations Manager  April 2022 to March 2027	Liberty Leisure Ltd will: <ol style="list-style-type: none"> <li>1. Support the Council in developing the facility mix and business case for the operation of a new Bramcote Leisure Centre site</li> <li>2. Use the facility mix proposed to scope out a draft activity programme for the new facility, which will reflect the diverse needs of the community</li> </ol>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Grow fitness memberships LL2326_G01a</p>	<p>To grow all areas of fitness income to support the objective of improving operational efficiencies.</p> <p>Specifically at Bramcote to ensure that the fitness membership at the site is sufficient to support the financial requirements of a potential future new facility</p>	<p>Gym Sales (Membership prospecting) Primary Care Network (Health referral partner) Carbon Group Gladstone Leisure Management Systems Supported by the Liberty Leisure Ltd business action of 'Implementing an improved digital journey'</p>	<p>Managing Director Business Manager</p> <p>Start: April 2021 End: March 2026</p>	<p>Income from fitness is derived from Direct Debits from different standard membership categories; Exercise Referral and Annual Memberships</p> <p><b>ACTUAL</b> March 2023 = £1,204k</p> <p><b>TARGET</b></p> <ul style="list-style-type: none"> <li>• March 2024 = £1,320k</li> <li>• March 2025 = £ 930k (No Kimberley)</li> <li>• March 2026 = £ 976k</li> <li>• March 2027 = £1,010k</li> </ul> <p>LLL will be implementing a membership contract to assist in improving member retention.</p> <p>Membership growth beyond March 2025 is dependent on the implementation of an equipment replacement programme in 2024/25. If the existing gym equipment is not replaced, then the only additional growth will be from Exercise Referral.</p>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Expand Exercise Referral opportunities <b>LL2427_G06</b> (New)	Increase the number of people on the exercise referral programme	Primary Care Network Refer All (Exercise Referral Management Software) Carbon Group	Managing Director  Start: April 2024 End: March 2026	Increase Exercise Referrals by: Building referral networks and opportunities with the PCN; Delivering a Family Exercise Referral Scheme; Delivering a Postural Stability programme In 2024-25 it is envisaged that no additional resources will be required to manage additional referral programmes and referrals Any future additional resources will be subject to a business case being completed and approved by the Board of Directors. <b>ADDITIONAL TO EXISTING EXPENDITURE</b> Introduce software (ReferAll) to improve the efficiency in the planning, recording, monitoring and reporting of the Exercise Referral Scheme. One off set up costs = £2,580 Annual ongoing licence costs = £694 <b>TARGETS</b> Assumes no additional staffing costs <ul style="list-style-type: none"> <li>• March 2024 = £75k</li> <li>• March 2025 = £72k (No Kimberley)</li> <li>• March 2026 = £87k</li> <li>• March 2027 = £95k</li> </ul> <b>All referral members and incomes are included in the Grow Fitness Memberships Business Action</b>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Grow Swimming Incomes LL2427_G07 (New)	Increase the operational income from Liberty Leisure Ltd Swim School, NCC School Swimming and the public swimming programme at Bramcote Leisure Centre	Notts County Council Gladstone Leisure Management System Carbon Group	Managing Director Operations Manager  Duty Manager (Swimming)  Start: April 2024 End: March 2025	<p><b>PUBLIC SWIMMING</b></p> <p>The business action will grow income from public and club access to swimming pools. This business action will refocus marketing campaigns and booking processes to increase incomes from public swimming</p> <p><b>ACTUAL</b> March 2023 = £261,860</p> <p><b>TARGETS</b></p> <ul style="list-style-type: none"> <li>• March 2024 = £272k</li> <li>• March 2025 = £220k (No Kimberley)</li> <li>• March 2026 = £220k</li> <li>• March 2027 = £220k</li> </ul> <p>It is expected that there will be no income growth in public swimming due to the reducing condition of the swimming facilities and the requirement to increase income from Swim School lessons</p> <p style="text-align: right;">Continued...</p>

Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Grow Swimming Incomes LL2427_G07 (New) (Continued)</p>	<p>Increase the operational income from Liberty Leisure Ltd Swim School, NCC School Swimming and the public swimming programme at Bramcote Leisure Centre</p>	<p>Notts County Council Gladstone Leisure Management System Carbon Group</p>	<p>Managing Director Operations Manager  Duty Manager (Swimming)  Start: April 2024 End: March 2025</p>	<p><b>SWIM SCHOOL</b> To continue to grow swim school income. Introduction of online joining for swimming lessons. Review the terms and conditions and how to reduce income lost from cancellation of lessons.  Renewed focus on supporting staff and volunteers to gain swim teaching qualifications.  <b>ACTUAL</b> 31 March 2023 = £946,570 <b>TARGET including price increases</b></p> <ul style="list-style-type: none"> <li>• 31 March 2024 = £980k (REVISED)</li> <li>• 31 March 2025 = £704k (No Kimberley)</li> <li>• 31 March 2026 = £740k</li> <li>• 31 March 2027 = £740k</li> </ul>



Description (Pentana Code)	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Implement price changes LL2427_G08 (New)	Increase the overall operational income to mitigate against expenditure increases and a reduction in the management fee received from Broxtowe Borough Council	Requires approval from the Liberty Leisure Ltd Board of Directors	Managing Director Business Manager	<p>To raise an additional £75k in operating income between 1 April 2024 and 31 March 2025</p> <p>The additional £75k from this business action is included within the total income detailed in the finance section of this business plan</p> <p><b>TARGETS including swim school price increases</b></p> <ul style="list-style-type: none"> <li>• March 2024 = £100k</li> <li>• March 2025 = £ 75k (No Kimberley)</li> <li>• March 2026 = £ 50k</li> <li>• March 2027 = £ 33k</li> </ul>

<b>Description</b> (Pentana Code)	<b>Targeted Outcome</b>	<b>Partnership / Procurement Arrangements</b>	<b>Officers Responsible / Target Completion Date</b>	<b>Budget Implications / Efficiencies / Other Comments</b>
Implement updated digital sales and booking processes LL2427_G09 (New)	Improve the ease of bookings to support the increase sales and attendances at the Liberty Leisure operated sites	Carbon Group Gladstone Innovatise	Managing Director Business Manager  March 2025	Improving digital sales and booking processes have a potential positive effect on the attendances and incomes across all of Liberty Leisure. Specific improvements and changes include: <ul style="list-style-type: none"> <li>• Customer Emails (TRP)</li> <li>• App Functionality</li> <li>• Waiting lists</li> <li>• Access Control - QR codes</li> <li>• Website Communication – AI/Chat Bot</li> </ul> To be scored through NPS and potentially other measures such as mystery shopping.  Additional incomes detailed in the finance section of this report will be supported by implementing these changes

Description ( <a href="#">Pentana Code</a> )	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
<p>Rationalise and renew the existing gym equipment estate across the Liberty Leisure operated facilities <a href="#">LL2427_G10</a> (New)</p>	<p>Relocate and refresh the gym equipment between the two existing leisure sites and create a new gym at the Hickings Lane site.</p> <p>Support the continued growth of the fitness membership to support the delivery of annual financial efficiencies</p>	<p>Technogym / E-Gym (potential alternative equipment providers) Procurement process to be agreed</p>	<p>Managing Director Business Manager Procurement and Contracts Officer (BBC) Operations Manager Duty Managers (Fitness)</p> <p>Start: Sept 2023 End: March 2025</p>	<p>Original estimate (2021-22) for 3 sites was £600k.</p> <p>Options for 3 sites (Bramcote Leisure Centre, Chilwell Olympia and Hickings Lane) are as follows:</p> <ol style="list-style-type: none"> <li>1. Replace all equipment £804k</li> <li>2. Replace selected cardio, limited resistance, + Hickings Lane £562k</li> <li>3. Replace all equipment at BLC and CO, new at Hickings Lane, relocate equipment to KGS £607k</li> <li>4. Replace selected cardio, limited resistance at BLC and CO + Hickings Lane £491k</li> </ol> <p>The above prices are exclusive of VAT and do not account for any trade in value of existing equipment</p>

Description ( <a href="#">Pentana Code</a> )	Targeted Outcome	Partnership / Procurement Arrangements	Officers Responsible / Target Completion Date	Budget Implications / Efficiencies / Other Comments
Manage the reduction in the allocated management fee being made to the company by Broxtowe Borough Council <a href="#">LL2326_04</a>	To deliver a balanced financial budget for 2024/25	Broxtowe Borough Council	Managing Director  Start: April 2024 End: March 2025	The management fee from Broxtowe Borough Council to LLL reduces as follows:  <b>ACTUAL</b> 2023-24 = £519K <b>TARGET</b> 2024-25 = £369k 2025-26 = £219k  The financial details of the LLL revenue budget are detailed within the Finance section of this business case

## 5. FINANCIAL BUDGETS

Area	2023/24 Original Budget (£)	2023/24 Revised Budget (£)	2024/25 Budget (£)	2025/26 Budget (£)	2026/27 Budget (£)	Comments
Staffing costs	2,387,000	2,320,800	1,685,414	1,730,466	1,779,890	Efficiency savings implemented to offset by pay awards
Utilities, Business Rates and Rental	499,000	482,700	397,775	401,800	405,600	Overall reduction due to no longer paying rental to Kimberley School
Operating costs	485,200	466,050	409,300	413,450	414,000	Reductions due to operational changes at the Kimberley site
VAT	150,000	150,000	140,000	140,000	140,000	Reduced based on £60k less operational spend
Council Service Charges	230,000	230,000	214,000	206,960	215,238	Assumes operational changes relating to Kimberley site and accountancy changes in 2025/26
Insurance	88,500	100,490	76,937	78,709	81,777	No operation at the Kimberley site
External funding	0	14,490	0	0	0	Sport England funding for the Postural Stability project
School Swim and Chilwell JU	(102,500)	(102,500)	(117,550)	(124,900)	(128,800)	Additional incomes from NCC school swim programme
Operating income	(3,132,300)	(3,075,500)	(2,340,675)	(2,444,177)	(2,486,415)	2024/45 increased sales and price changes
External funding	0	(14,490)	0	0	0	Sport England funding for Postural Stability project
Management Fee	(519,000)	(519,000)	(369,000)	(219,000)	(219,000)	

## FINANCIAL SUMMARY

Area	2023/24 (£)	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)	Comments
<b>Total Expenditure</b>	3,839,700	3,750,025	2,922,426	2,971,385	3,036,056	
<b>Total Income</b>	(3,753,800)	(3,711,490)	(2,827,225)	(2,788,077)	(2,834,215)	
Deficit / Surplus	<b>85,900</b>	<b>38,535</b>	<b>95,201</b>	<b>183,308</b>	<b>202,291</b>	2025/26 increased deficit due to decreased management fee and the loss of the forecasted surplus expect from Kimberley Gym and Swim
Reserve	(400,999)	(443,859)	(348,658)	(165,350)	<b>36,940</b>	Any redundancy payments relating to the restructure of the Management Team are additional expenditures to be taken from the reserve

## 6. SUMMARY OF KEY RISKS

Key Strategic Risk	Action to be taken or required to mitigate/minimise the risk or threat
1. Teckal Company	Ongoing strategic operational documents identifying a wide range of actions to develop the company
2. Lack of financial resources due to cost of living crisis, operational changes and reduced management fee means that buildings cannot be maintained to the levels expected for a commercial operation	A medium term financial forecast that is regularly reviewed to ensure that potential financial issues are identified in advance of the problem arising
3. No Leisure Facilities Strategy means that the council cannot adequately plan for its future leisure provision	As per strategic risk register. The Council to complete its leisure facility strategy to enable the company to develop its operational and financial planning

### Liberty Leisure Limited Risk Register (Approved by the Board of Directors – June 2023)

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Kimberley Gym and Swim	Ceasing to operate from the site increases the deficit position of the company	Reduce the central costs of operating the company to mitigate the losses from the closure of Kimberley Gym and Swim Explore the potential to continue operating temporary leisure provision if a surplus could be generated

<b>Key Risk</b>	<b>Risk or Threat to Key Task</b>	<b>Action taken/required to mitigate/minimise the risk or threat</b>
Bramcote Leisure Centre, ageing pool plant and building management system	Inability to prevent water leaks, control water and/or air temperatures and air flow for part or all of the building. If failure in part or whole there is a Health & Safety risk and the potential to close the building	<p>Building Condition Report completed by Broxtowe Borough Council.</p> <p>6 monthly meetings held with the Head of Estates (HoE) (or nominated officer) to review the state of the site. Issues identified are raised with the DCE of BBC via the HoE, Capital reports detailing significant maintenance repairs are prepared annually for BBC to consider for known issues above with a cost above £5k in line with the Management Agreement.</p> <p>Broxtowe Borough Council is working on plans to replace the existing leisure centre with a new facility.</p>
All sites - Legionella, Asbestos and Electrical Safety	Health & Safety risk for customers, staff and contractors	<p>Management of legionella by LLL or partner site operators with all involved trained to complete and manage processes. Asbestos registers maintained by LLL or partner site operators with all involved trained to manage the process. Annual electrical testing programme in place with repairs completed following testing / inspection.</p>
All sites - General operations and Emergency Procedures	Health & Safety risk for customers, staff and contractors	<p>Operating and Emergency procedures are in place with staff trained on these processes through inductions and follow ups when identified. National/professional guidelines in relation to swimming, fitness and occupancy figures are followed with training recorded.</p> <p>Procedures are reviewed over time and/or following a situation that may arise.</p>
Chilwell School	Building of a new school at the existing site	<p>BBC and LLL have met with the schools Head Teacher and have discussed options that may be considered within a new build. Chilwell School will keep BBC/LLL up to date with any new information regarding changes and timescales</p>



Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Operational incomes fail to reach required targets	Company operate a deficit budget. Company have insufficient funds to meet commitments	<p>Monthly monitoring of income and expenditures to provide a forecast financial operating position for the financial year. Monthly monitoring of cash flow to ensure sufficient funds are in the bank and to forecast ahead changes to the 'cash' in the bank position.</p> <p>Work to improve operating efficiencies is ongoing. Additional support through the utilisation of an external report completed on behalf of BBC.</p> <p>Monthly finance meetings with BBC ensure that the council (owner) is aware of future financial forecasts so appropriate financial adjustments can be made.</p>
Operational expenditures exceed forecast spends	<p>Company operate a deficit budget. Company have insufficient funds to meet commitments</p> <p>Ongoing cost of living crisis results in existing costs to the company continuing to increase</p>	<p>Monthly monitoring of income and expenditures to provide a forecast financial operating position for the financial year. Monthly monitoring of cash flow to ensure sufficient funds are in the bank and to forecast ahead changes to the 'cash' in the bank position.</p> <p>Work to improve operating efficiencies is ongoing. Additional support through the utilisation of an external report completed on behalf of BBC.</p> <p>Monthly finance meetings with BBC ensure that the council (owner) is aware of future financial forecasts so appropriate financial adjustments can be made.</p>
Failure to deliver an identified Business Action	Potential negative impact on the company's financial position	Business actions are spread over a number of different income areas to minimise the effects of an individual action not being delivered. Additionally, business actions are regularly monitored through the BBC's performance management system and regular business team meetings are held to review performance, issues that are arising and actions required to ensure success of an action.

Key Risk	Risk or Threat to Key Task	Action taken/required to mitigate/minimise the risk or threat
Collection of Direct Debit payments	Impact on the company's cash flow position	Centralised business team with more than one member of the team able to run the Direct Debit process. Communication systems in place to inform customers. Ability to represent a collection run at a later date if required.
Data management	Sensitive data relating to the company or an individual is breached resulting in financial or personal loss	<p>BBC online training to ensure that individuals within the company understand how to manage sensitive data. Training and updates from the company's bank to ensure that staff with bank access are aware of the risks.</p> <p>Data Processing Agreement are in place between the company and third parties who have access to / process data on behalf of the company.</p> <p>Reporting processes are in place to report a potential/actual data breach to ensure that a breach is appropriately managed and that continual learning is carried out.</p>
Failure of ICT systems	Customers are unable to make a booking and/or payment. Attendances cannot be recorded. Gym equipment does not work.	Social media platforms and the website are tools used to communicate potential issues to customers. Temporary manual processes are in place to enable customers to access their activity and pay at a later date in the event of ICT downtime.
Staff recruitment	Inability to recruit staff required to ensure the ongoing operation of the service	<p>Reviewed job descriptions and company structure to ensure more progression opportunities for staff. Continuing to review job roles.</p> <p>Market rate supplement is available to be applied to make difficult to fill job roles more desirable.</p> <p>Cross site working is being utilised to provide greater flexibility to cover working hours that need to be covered.</p> <p>The use of 'relief' staff to cover vacant hours</p>

<b>Key Risk</b>	<b>Risk or Threat to Key Task</b>	<b>Action taken/required to mitigate/minimise the risk or threat</b>
Unforeseen closure	Initial and potential ongoing loss of income. Disruption to customers.	<p>Ongoing building management to minimise the chances of closure. In the event of site closure communications through existing Social Media, Website and direct emails to effected customers along with liaison with council's communications team to get messages out to effected customers.</p> <p>In some cases, alternative activity at another venue can be made available to customers.</p> <p>LLL's insurance will minimise lost income through the Business Interruption element of its insurance</p>
Reputational Risk	Reduction in numbers of customers affecting income. Bringing the company and/or the council into disrepute	<p>Marketing guidelines in place to support communications; communications limited to supported marketing working group with feedback to management team for potential contentious issues.</p> <p>Company values used to guide decision making to ensure reasonable and justifiable decisions are made. Contentious issues discussed with the council to ensure an agreed approach is taken</p>