



Shareholders Committee

Tuesday, 28th November,
2023

MINUTES

Present:

Councillor Craig Warhurst (Chair), Councillor Emma Marshall (Vice-Chair) and Councillors Imran Altaf, Joe Baker and Sid Khan

Also Present:

Ben Clawson-Chan (Managing Director, Rubicon Leisure Limited)

Officers:

Peter Carpenter and Claire Green

Principal Democratic Services Officer:

Jess Bayley-Hill

8. APOLOGIES FOR ABSENCE AND NAMED SUBSTITUTES

There were no apologies for absence.

9. DECLARATIONS OF INTEREST

There were no declarations of interest.

10. COUNCIL FUNDING AND SUPPORT UPDATE

The Interim Section 151 Officer presented an update in respect of Council funding for and the support the authority provided to Rubicon Leisure Limited. This report had been produced following Members' consideration at the previous meeting of a proposed response to correspondence that had been received from the company earlier in the year regarding the support services that the Council provided.

The Committee was advised that the Section 151 Officer had attended a meeting with the Rubicon Board six weeks prior to the latest Shareholders Committee meeting. During this meeting, consideration had been given to the challenges created by the Council's new finance system in respect of submitting company accounts. Unfortunately, there remained a need to resolve the

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suspense accounts for both the company and the Council and it was possible that this would mean that the company's accounts for 2022/23 would not be ready in time to submit to Companies House by 31st December 2023. A decision would be taken shortly as to whether to request an extension to the deadline for the submission of these accounts.

The Council had had a number of Service Level Agreements (SLAs) in place with Rubicon Leisure Limited when the company was first launched. By November 2023, Financial Services, including Payroll, Parks and ICT support continued to be provided to Rubicon Leisure Limited by the Council. However, HR support for the company had transferred from the authority to an external provider. The SLAs would be reviewed further in due course.

An application had been submitted for grant funding to cover some of the company's utilities costs. The second round of this grant funding process was currently taking place and a further application would be submitted. The Committee was advised that the process of applying for this grant funding could be quite onerous. The Council was aiming to fund the redevelopment of the changing rooms and toilets at the Abbey Stadium as a part of the capital programme.

As part of the Council's capital programme, there were plans to invest £600,000 in Rubicon Leisure Limited and the wider Arrow Valley Park over the following three year period. This capital funding would be invested in improvements to the play areas, improvements to the toilets in the Arrow Valley Park and countryside centre, the installation of kiosks in the Arrow Valley Park and improvements to the kitchen facilities at the site.

Following the presentation of the report, Members discussed a number of points in detail:

- The quality of the road surface of the car park located closest to the lake in the Arrow Valley Park and the potential for capital funding to be used to undertake improvement works at the site. Officers explained that no bid had been received from the Council's Leisure team for capital funding to address this issue, but the Interim Section 151 Officer undertook to discuss the matter further with relevant Officers.
- The £177,000 grant funding that had been provided through Sport England for Rubicon Leisure Limited and the extent to which this funding was ring fenced. The Committee was informed that the funding was ring fenced and there was a

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requirement to provide data to demonstrate that the funding had been used as intended.

- The extent to which progress had been made since the previous meeting of the Committee in terms of recruitment of a Company Secretary. Members were advised that no Company Secretary had yet been appointed but this would be discussed further if required.
- The extent to which it would be possible to designate the Arrow Valley Lake as suitable to use for outdoor bathing. Members were advised that there were barriers which meant that this option was not available moving forward.
- The identities of the Directors appointed to Rubicon Board. Members were advised that there was a mixture of Non-Executive Directors, appointed following a recruitment exercise, and Executive Directors, appointed from amongst senior officers of the Council.
- The potential for members of the Shareholders Committee to meet with members of the Rubicon Board. Members commented that they were keen to meet with members of the Rubicon Board, potentially at the Arrow Valley Countryside Centre, preferably prior to or at the following meeting of the Committee.
- The underspend recorded in the report and the company's current reserves. Members were advised that exact figures could not be provided in respect of this matter until the accounts were closed.
- The extent to which VAT receipts had been updated. Officers advised that by the end of that week, VAT receipts would have been updated up to the end of September 2023.

RESOLVED that

- 1) the ongoing approach for the delivery of support services to Rubicon by the Council be noted;**
- 2) the £650,000 investment being made in Rubicon operated facilities by the Council over the next three years as per the 2024/5 Medium Term Financial Plan be noted; and**
- 3) the implementation of improvements to plants facilitated by the £177,000 grant from Sport England be noted.**

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11. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that:

Under S100 A (4) of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, the public be excluded from the meeting for the following matters on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12 of the said act, as amended.

- **Minute Item No. 12 – Minutes of the Previous Meeting**
- **Minute Item No. 13 – Quarter 2 Performance Monitoring Report**

12. MINUTES OF THE PREVIOUS MEETING

Members considered the minutes of the meeting of the Shareholders Committee held on 6th July 2023.

During consideration of this item, the following points were discussed:

- The correspondence received from the Rubicon Board prior to the previous Shareholders Committee meeting and whether this would be shared with Members. Officers confirmed that this had been included in a report that had been shared with all Members of the Committee, including substitute Members, in July 2023.
- As discussed at the previous meeting of the Committee, Members requested that the role of Company Secretary be included as an item on the agenda for the following meeting.
- Members requested that further clarification with respect to legal requirements in terms of the use of the Arrow Valley Lake be included as an item on the agenda for consideration at the following meeting of the Committee.
- It was noted that the minutes referred to invitations being sent to members of Rubicon Board to attend a meeting of the Shareholders Committee. Members commented that they wished for this proposal to be actioned in time for the following meeting of the Committee.

RESOLVED that

subject to the amendments detailed in the preamble above, the minutes of the meeting of the Shareholders Committee held on

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6th July 2023 be approved as a true and correct record and signed by the Chair.

(During consideration of this item, Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to move to exclude the press and public prior to any debate on the grounds that information would be revealed which related to the financial and business affairs of any particular person (including the authority holding that information)).

13. QUARTER 2 PERFORMANCE MONITORING UPDATE REPORT 2023/24

The Managing Director of Rubicon Leisure Limited presented the Quarter 2 Performance Monitoring Update Report 2023/24 for the Committee's consideration.

During discussions in respect of this item, the following points were raised:

- There had been strong performance at the Abbey Stadium during the year.
- Rubicon Leisure Limited was working with the Public Health team on exercise classes for people with diabetes.
- The company was working with Redditch Borough Council on the refurbishment of the changing rooms at the stadium.
- The Palace Theatre was also performing well with the pantomime proving to be particularly popular.
- There was an enhanced coffee bar at Forge Mill Needle Museum and, as a consequence, Rubicon Leisure Limited could cater for events held at the venue.
- Seating had been installed on the mezzanine level at the Arrow Valley Countryside Centre and this could be used for conferences.
- Works were being undertaken in respect of the pontoon at the Arrow Valley Lake.
- A lot of work was being undertaken with respect to customer engagement, through updates to the company's website and other media profiles.
- Rubicon Leisure Limited had been working with Redditch District Collaborators on the co-location of services.
- The company was also working in partnership with the Redditch Health and Wellbeing Team on various projects.

After the report had been presented, Members discussed the following points in detail:

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- The good performance that had been reported for the facilities managed by Rubicon Leisure Limited during the first two quarters of the 2023/24 financial year.
- The action that was being taken to market services and activities provided by Rubicon Leisure Limited.
- The work that had been delivered in respect of health and safety compliance and whether any areas of concern had been identified. Members were advised that no areas of concern had been identified to date, although staff remained vigilant.
- The role of Rubicon Leisure Limited in terms of managing the community centres situated in the Borough and how these were performing. Members were informed that the community centres were promoted by Rubicon Leisure Limited and the company was soon to launch a new booking system on which potential customers would be able to view the availability of particular centres for hire.
- The work that was being undertaken by the Council to review community assets to ensure compliance with legal requirements in respect of the energy efficiency of buildings and the extent to which the community centres were likely to achieve compliance by 2026. Officers explained that this formed part of a Council-wide review. The outcomes of this review would be reported to the Executive Committee in 2024.
- The interest that had been expressed by some amateur football groups to Members in terms of hiring space in which to hold matches and the difficulties that had been experienced in terms of making contact to enquire about bookings. Members were asked to refer these queries to the Managing Director of Rubicon Leisure Limited.
- The quick timescales in which problems observed at facilities managed by Rubicon Leisure Limited were resolved once they had been reported.
- The quality of the food and beverage offer available at Pitcheroak Golf Course, which Members complimented.
- The extent to which heat supplied from Redditch Crematorium heated the swimming pool at the Abbey Stadium.
- The criticisms that were sometimes levelled at Redditch, in terms of the availability of things to do in the Borough. Members commented that action needed to be taken to promote the facilities, events and activities that were available in the town.
- The Christmas Lights Event in Redditch in November 2023, which had been attended by the singer and television personality, Mr Peter Andre. Members commented that this had been a very successful event which had been attended by a lot of people.

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- The potential for the new Managing Director of Rubicon Leisure Limited to bring fresh ideas to the company based on his previous career experiences. Members were advised that the emphasis needed to be on improving, maximising and investing in the facilities managed by Rubicon Leisure Limited on behalf of the Council.
- The opportunities available to improve the food and beverage offer at the Arrow Valley Countryside Centre.
- The positive impact that the introduction of outdoor toilet facilities at the Arrow Valley Park would have at the site.
- The possibility of introducing more water sports at the Arrow Valley Lake, subject to the legal requirements in respect of use of this site.

RESOLVED that

the report be noted.

(During consideration of this item, Members discussed matters that necessitated the disclosure of exempt information. It was therefore agreed to move to exclude the press and public prior to any debate on the grounds that information would be revealed which related to the financial and business affairs of any particular person (including the authority holding that information)).

The Meeting commenced at 6.30 pm
and closed at 7.21 pm