

REDDITCH BOROUGH COUNCIL

SHAREHOLDERS COMMITTEE

9th September 2021

RUBICON LEISURE QUARTER 1 2021-22 PERFORMANCE REPORT

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| Relevant Portfolio Holder | Councillor David Thain |
| Portfolio Holder Consulted | |
| Relevant Head of Service | Claire Felton, Head of Legal, Democratic and Property Services |
| Ward(s) Affected | N/A |
| Ward Councillor(s) Consulted | N/A |
| This report contains exempt information as defined in Paragraph(s) 3 and 4 of Part I of Schedule 12A to the Local Government Act 1972, as amended | |

1. SUMMARY OF PROPOSALS

To update Shareholders on the operational performance of Rubicon Leisure for the period April - June 2021.

2. RECOMMENDATIONS

The Committee is asked to note the Report.

3. KEY ISSUES

- 3.1 As Members are aware the leisure and cultural facilities were forced to close on 5th January 2021 for the third 'National Lockdown', until 11th April 2021 which involved further closure of the main Rubicon facilities, including the Abbey Stadium Sports centre. The Governments 'RoadMap' had a phased approach to reopening facilities and reducing pandemic restrictions. All Rubicon facilities were open by the end of June except for the Palace Theatre, although the majority of restrictions weren't fully removed until after the end of the quarter on 19th July 2021.
- 3.2 The first quarter report is attached at Appendix 1 and details the work that has been undertaken by the company during this continuing challenging period, whilst it has been positive to open the majority of facilities, this has been against the background of reducing social distancing requirements with many Covid-19 secure measures remaining in place to provide customer confidence, such as reduced class sizes at the Abbey Stadium and reduced capacity in the café at Pitcheroak Golf Course. We do not anticipate being back to pre-pandemic 'normal' operations until the end of quarter 2.
- 3.3 The Approved Business Plan for 2021-22 has been rolled out to all staff and individual site-specific annual plans are being developed under the key themes to help managers and their staff teams meet the company's corporate objectives for the remainder of the recovery year. The Board of Directors are making progress on bringing forward additional measures to support the Company's recovery and resetting it to provide a sustainable business model going forward. Further details will be reported to Shareholders at their next meeting.

4. Financial Implications

- 4.1 The financial report for the first quarter of 2021-22 and the final outturn position for 2020-21 last financial year will be presented to Shareholders at the next Committee meeting.
- 4.2 To provide Members with some comfort the performance report in section 1 details the company's success with external grant schemes which continue to support the company as we emerge from the pandemic restrictions. In addition, we continue to monitor income across the sites and most of the facilities income has recovered well against the increased revised income targets for the first quarter. Similarly, the Senior Management Team continues to keep a close review of expenditure, in particular not recruiting to vacant posts, keeping staff levels to the minimum, and therefore maximising the 'Furlough' Job Retention grant scheme and monitoring utility and maintenance costs.

5. Legal Implications

- 5.1 The Council must retain control over the company to ensure that the Company continues to benefit from the Teckal exemption. This allows the Council to contract with it for the delivery of leisure services without conducting an open procurement exercise.
- 5.2 The contractual documentation in place between the Council and the Company contains the necessary mechanisms, checks and balances to incentivise good performance and to ensure compliance with the Teckal exemption.

6. Customer / Equalities and Diversity Implications

- 6.1 As can be seen in the performance report attached Rubicon Leisure aims to attract customers back to the leisure facilities highlighting the cleaning and safety measures in place and will continue the work to identify and meet customer needs and demand, alongside the key components required to achieve high satisfaction ratings. Using the measures dashboard, the Council will ensure that the community and local partners are supported by the leisure offer, and that Rubicon continues to deliver on the Council's Strategic Objectives.

7. RISK MANAGEMENT

- 7.1 Rubicon maintains risk registers in relation to both service delivery and Health and Safety compliance which have been updated to respond to the pandemic as highlighted in section 2 of the attached performance report. These are regularly monitored and any updates reported to the Board at each meeting.

8. APPENDICES

- 8.1 Appendix 1 - Quarter 1 2021-22 Performance Report.

9. BACKGROUND PAPERS

9.1 Service Specification as reported to Executive and Council in September 2018.

AUTHOR OF REPORT

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