

REDDITCH BOROUGH COUNCIL

SHAREHOLDERS COMMITTEE

17th November 2021

RUBICON LEISURE QUARTER 2 PERFORMANCE MONITORING REPORT 2021-22

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 3 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 Limited for the period July - September 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 managed on behalf of the Council by Rubicon Leisure were allowed to start to re-open from 12 April 2021 following the pandemic's third 'National Lockdown'. The final facility to re-open following the Governments 'RoadMap' was the Palace Theatre on 19 July 2021 although social distancing and other mitigation measures such as booking number restrictions largely stayed in place across most facilities until early September 2021.
- 3.2 The second quarter report is attached at Appendix 1 and details the work that has been undertaken by the company during this continuing challenging period, although mitigation methods to deliver social distancing and support customer confidence reduced over the quarter. We anticipate being back to pre-pandemic 'normal' operations during the third quarter when we open the Arrow Valley Visitor Centre indoors.
- 3.3 The approved company Business Plan for 2021-22 is currently being reviewed by all managers and sites as part of a mid-year review of progress being made against the company's corporate objectives for the remainder of the recovery year. Some of the progress on back-office systems and support processes has been slower than anticipated and this will have a knock-on effect on the Company's recovery and resetting it to provide a sustainable business model going forward.

4. Financial Implications

- 4.1 The financial report for the first two quarters of 2021-22 will be presented to Shareholders at the next Committee meeting whilst the final outturn position for

REDDITCH BOROUGH COUNCIL

SHAREHOLDERS COMMITTEE

17th November 2021

2020-21 last financial year has now been completed and can be found elsewhere on the agenda.

- 4.2 To provide Members with some comfort section 1 of the Quarter 2 Performance Monitoring report details the company's success with external grant schemes which continue to support the company as it emerges from the pandemic restrictions. In addition, the report details the income achieved across the services and most of the facilities income levels have recovered well against the increased revised income targets for the second quarter. The management team continues to keep a close review on expenditure, in particular not recruiting to vacant posts, keeping staff levels to the minimum, and therefore maximising the Job Retention 'Furlough' Scheme until it ended in September 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 monitoring report attached Rubicon Leisure Limited aims to attract customers back to the leisure and culture 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 and cultural offer, and that Rubicon Leisure continues to deliver on the Council's Strategic Objectives.

7. RISK MANAGEMENT

- 7.1 Rubicon Leisure 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 Quarter 2 Performance Monitoring Report. These are regularly monitored, and any updates reported to the Board at each quarterly meeting.

8. APPENDICES

- 8.1 Appendix 1 - Quarter 2 Performance Monitoring Report (2021-22)

9. BACKGROUND PAPERS

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

REDDITCH BOROUGH COUNCIL

SHAREHOLDERS COMMITTEE

17th November 2021

AUTHOR OF REPORT

Name: Claire Felton, Head of Legal, Democratic and Property Services
Email: c.felton@bromsgroveandredditch.gov.uk
Tel: (01527) 881400