

Redditch Borough Council
Shareholders Committee
Annual Report
2024 – 2025

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Chair's Foreword

As Chair of the Shareholders Committee, I am pleased to be able to introduce this report which details the performance and impact of services which are managed under the Rubicon umbrella.

The Rubicon remit is wide ranging - from sports facilities at the Abbey Stadium and Pitcheroak Golf Course to heritage at our beautiful Forge Mill and culture at the Palace Theatre. These are prized and valued assets which we must be proud to support and uphold.

It is essential that Redditch Borough Council continues to invest in the physical infrastructure and scrutinises the financial details of Rubicon.

This is not simply about profitability and popularity, although we can see both of these rising. These assets are essential for residents, promoting health, wellbeing and a sense of pride in our town. We must ensure that we safeguard these for all of our futures.

There is still progress to make, but we can observe a clear upwards trajectory, of which we should be supportive and celebratory.

I would like to make a personal statement of gratitude towards all of the Rubicon staff - both paid and voluntary - who are contributing every day towards the success and viability of Rubicon.



Councillor Sharon Harvey
Chair, Shareholders Committee
Redditch Borough Council

Introduction

The annual report outlines the work undertaken by Redditch Borough Council's Shareholders Committee in the 2024 – 2025 municipal year. This is the first annual report to have been prepared on behalf of the Shareholders Committee, as this was a new requirement introduced at the Annual Council meeting in May 2024.

The Shareholders Committee is an integral part of the governance arrangements for the Council's company; Rubicon Leisure Limited, which was established in 2018. Rubicon Leisure Limited manages many of the Council's leisure and cultural assets on behalf of the authority, including the Abbey Stadium, the Arrow Valley Countryside Centre, Forge Mill Needle Museum and Pitcheroak Golf Course.

Currently, Rubicon Leisure Limited is the Council's only company. The role of the Shareholders Committee is distinct from the role of the Rubicon Board. The Rubicon Board, comprising Executive and Non-Executive Directors, is responsible for running the business and the proper delivery of services. There are officers at the Council responsible for managing the client side of the business, who monitor the service contract. The Shareholders Committee holds the Board to account and is responsible for a number of reserved matters, detailed in the articles of the company. A diagram relating to the governance structure for Rubicon Leisure Limited can be viewed at Appendix 1 to the report.

Matters reserved to the Shareholders Committee include:

- Approval of the company's annual Business Plan
- Approval of the appointment, remuneration and dismissal of the Managing Director of the company
- Approval of the appointment or dismissal of Directors on the Board
- Approval of above inflation pay increases and any other remuneration packages
- Approval of litigation defences or claims for the company
- Approval of the appointment of bankers and auditors for the company

The Shareholders Committee is a Sub-Committee of the Executive Committee. Any recommendations arising from meetings of the Shareholders Committee, that are not within the remit of the Committee to determine or do not relate to reserved matters, should be presented for the consideration of the Executive Committee.

Whilst a lot of the reports that are considered at meetings of this Committee contain exempt information, relating to the financial and business affairs of the company, the content of this report is public.

Membership

The Members of the Shareholders Committee are all Members of the Executive Committee. In 2024/25, the membership of the Committee was as follows:



**Councillor Sharon
Harvey (Chair)**



**Councillor Bill Hartnett
(Vice-Chair)**



**Councillor Joe
Baker (Until
April 2025)**



**Councillor Jen
Snape**



**Councillor Ian
Woodall**

Review of the Shareholders Committee – May 2024

In May 2024, the Committee terms of reference for the Shareholders Committee were reviewed. This review took place in a context in which the Shareholders Committee had been in existence for six years and it was felt to be appropriate to assess whether meetings were being conducted in accordance with best practice.

Following the review, Officers identified that the Shareholders Committee should ideally be a Sub-Committee of the Executive Committee, rather than of Council and should not form part of the political balance. Group Leaders were consulted and agreed that the Committee should be updated to become a sub-committee of the Executive Committee.

At the same time, the terms of reference for the Shareholders Committee were reviewed and updated. Amendments to the terms of reference included the introduction of a new requirement for the Shareholders Committee to prepare an Annual Report detailing the Committee's activities during the municipal year.

The changes to the structure and terms of reference for the Shareholders Committee were approved by Members at the Annual Council meeting held in May 2024.

Members of the Committee

As the Shareholders Committee is a Sub-Committee of the Executive Committee, all Members of the Committee must also be members of the Executive. The Executive Committee determined nominations to the Shareholders Committee at a meeting of the Executive Committee held in June 2025.

Whilst only Executive Committee members can be appointed to a sub-committee of the Executive, it has been recognised that the work of the Shareholders Committee will be of interest to all Members. Consequently, group leaders are invited to attend meetings of the Shareholders Committee to participate in the debate, although any group leader who is not also a member of the Shareholders Committee cannot take part in the vote. In addition, all Redditch Borough Councillors are entitled to attend meetings of the Committee to observe the proceedings, although they can only contribute to the debate at the discretion of the Chair.

Prior to the first meeting of the Shareholders Committee in the 2024/25 financial year, held in August 2024, training was provided to Members to help clarify their roles and responsibilities on this Committee.

Meetings of the Committee in 2024/25

Meetings of the Shareholders Committee were scheduled to take place in August, December, February and April.

At every meeting of the Committee, there were a number of standard items of business that were considered by Members. This included:

- Quarterly Performance Monitoring Reports, which detailed the performance of Rubicon Leisure Limited during the previous quarter of the Financial Year. These performance reports highlighted performance in relation to the range of services and activities provided by Rubicon Leisure Limited across the different leisure venues. Members welcomed positive feedback on improving performance, including in respect of increasing numbers of customers using services managed by the company.
- Quarterly Budget Monitoring Reports, which provided updates to Members on the financial performance of the company, including of specific venues managed by the company. These reports also highlighted any budget pressures as they emerged. The Committee welcomed the positive trajectory of the financial performance of the company compared to previous years.
- Updates on Council support to Rubicon Leisure Limited were provided for Members' consideration at every meeting of the Committee. As Rubicon Leisure Limited is a Council company, the authority continues to provide some support services to Rubicon Leisure Limited through Service Level Agreements (SLAs). The Council is also a source of finance, including capital finance, to the company to enable it to grow and expand its offering and information relating to this support was highlighted for the Committee's consideration.

In line with the reserved matters for the Committee, Members considered and approved the company's annual Business Plan in February 2025. This business plan, which detailed the targets and aspirations for the company in 2025/26, was presented at an earlier date in the municipal year for the Committee's consideration than in previous years.

An annual budget report, detailing the company's budgetary plans for 2025/26, was also considered and approved at the meeting of the Committee held in February 2025. Again, this report, which outlined key budget aspirations, targets and pressures, was presented for the Committee's consideration at an earlier stage than in previous years.

No recommendations were made by the Shareholders Committee to the Executive Committee in 2024/25.

Informal Meetings of the Shareholders Committee with Rubicon Board

In previous years, members of the Shareholders Committee have highlighted a desire to meet with members of the Rubicon Board. Whilst these meetings have no formal status and decisions could not be taken at these meetings, Members felt that they would be helpful in order to develop a better understanding of each other's roles, responsibilities and respective aspirations for Rubicon Leisure Limited.

There had been a few informal meetings between members of the Shareholders Committee and Rubicon Board held in previous years, although these had been organised on an ad hoc basis. In 2024/25, informal meetings were scheduled to

take place close to the dates of the Shareholders Committee meetings, which was welcomed by Members.

The Shareholders Committee would like to thank members of the Rubicon Board for taking the time to attend these informal meetings. It is hoped that these informal meetings will continue in future years.

Looking to the Future

The Shareholders Committee has received a lot of positive feedback regarding the performance and financial management of Rubicon Leisure Limited during the 2024/25 municipal year. However, the Committee is not complacent and recognises that there is a need for Members to keep scrutinising the work of the company and to hold the Board to account for decisions that are taken. At a time when local authority budgets are challenging, this prudence remains important and will continue in 2025/26.

This report has been produced in a context in which significant changes are anticipated to local government as part of imminent Local Government Reorganisation in two-tier authority areas such as Worcestershire. Whichever Unitary Authority model is introduced in Worcestershire, Rubicon Leisure Limited will not be the only Council company in the county to be impacted by these changes. Consideration will therefore need to be given to the governance structure(s) for local authority companies that will be implemented as part of the move to Unitary Authority status.

Conclusion

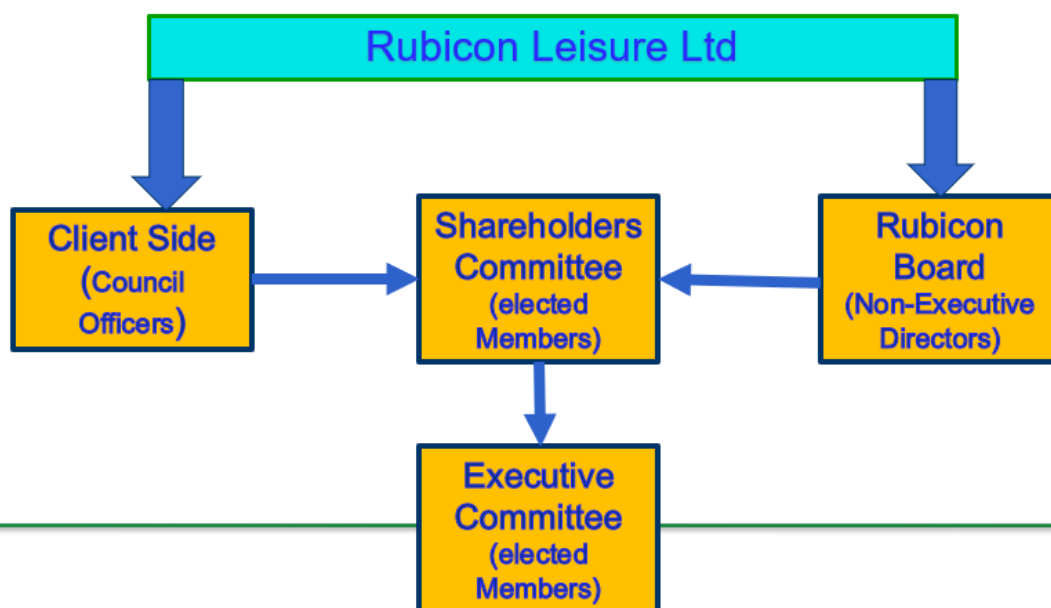
This is the first annual report from the Shareholders Committee, which has been produced during a year in which considerable changes have been made to the governance structure and operating arrangements for the Committee.

Members have welcomed positive updates on the performance of the services delivered by the company. The Committee is keen for this positive trajectory to continue, to the benefit of local residents who use the leisure and cultural services provided by Rubicon Leisure Limited.

However, there are challenges on the horizon and the Committee will need to remain mindful of these and to maintain vigilance in reviewing the work of the company to ensure that services continue to best meet the needs of customers.

Appendix 1 – Governance Structure

Rubicon Leisure Limited: governance structure



Appendix 2 – Expressions of Gratitude

The Shareholders Committee would like to thank all the members of the Rubicon Board for attending informal meetings with Committee members during the year.

The Shareholders Committee would also like to thank the following people who have either attended meetings or provided support in alternative ways to the Committee during the year:

- Peter Carpenter – Deputy Chief Executive and Section 151 Officer
- Ben Clawson-Chan – Managing Director, Rubicon Leisure Limited
- Nicola Cummings – Principal Solicitor – Governance
- Claire Felton – Assistant Director of Legal, Democratic and Procurement Services
- Claire Green – Principal Solicitor (Contracts, Commercial and Procurement)