

Culture and Leisure Overview and Scrutiny Committee



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Thursday, 28 November 2024 at 10.00 am
Council Chamber - South Kesteven House,
St. Peter's Hill, Grantham. NG31 6PZ

Committee Members: Councillor Murray Turner (Chairman)
Councillor Barry Dobson (Vice-Chairman)

Councillor Matthew Bailey, Councillor Emma Baker, Councillor James Denniston,
Councillor Gareth Knight, Councillor Robert Leadenhams, Councillor Paul Martin and
Councillor Chris Noon

Agenda Supplement

9. **Performance of Leisure SK Ltd** (Pages 3 - 40)
To provide an update regarding the performance, budget position of
LeisureSK Ltd with its draft business plan for 2025/2026.

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Culture and Leisure Overview and Scrutiny Committee

Thursday, 28th November 24

Report of Debbie Roberts, Chairman of
LeisureSK Ltd

LeisureSK Ltd – Business Plan 25/26 and Request for funds 25/26

Report Author

Debbie Roberts, Chairman LeisureSK Ltd

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Purpose of Report

To provide an update regarding the performance, budget position of LeisureSK Ltd with its draft business plan for 2025/2026.

Recommendations

That the Committee:

1. Notes the update regarding the performance of LeisureSK Ltd.
2. Endorses the Business Plan for LeisureSK Ltd for one year 2025-2026
3. Recommends that a budget of £150,000 is proposed for 2025/26 in order to stabilise the cashflow of LeisureSK Ltd on a temporary basis.

Decision Information

Does the report contain any exempt or confidential information not for publication? Yes - Exempt Appendix 1A and 2 - Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act

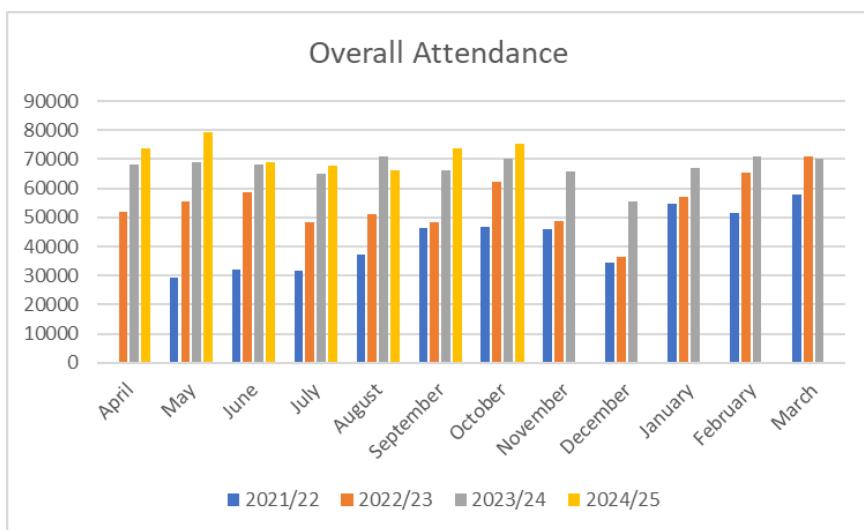
1. Background to the Report

Performance Update

- 1.1 The Council's Corporate Plan 2024 to 2027 sets out the key priorities for the Council including its leisure service. Encouraging sport and physical activity to support healthy lifestyles by reducing health inequalities and delivering a sustainable leisure offer helps to support the Council's corporate ambition and provides opportunities for improved health and wellbeing outcomes for local communities.
- 1.2 The Council's leisure current contract with LeisureSK Ltd focusses on embedding an approach that seeks to continuously improve service delivery and customer experience.
- 1.3 A new 10-year contract, specification and KPIs is currently being drafted by the Council under agency principles from the 1st April 2025. LeisureSK Ltd have therefore drafted only a one-year Business Plan until the information has been reviewed and agreed by both parties.
- 1.4 LeisureSK Ltd will continue to provide the performance information in the current specification to the Council until the Council confirm to the company the new KPIs going forward.
- 1.5 As part of the performance update some of the KPIs are going to be considered at this meeting under another agenda item therefore these won't be replicated but at the last committee there was a request for attendance information from when LeisureSK Ltd's contract commenced (2021/2022). The combined information for all three centres is as follows: -

	April	May	June	July	August	September	October	November	December	January	February	March
2021/22		29287	32159	31518	37140	46437	46908	45984	34527	54721	51394	58008
2022/23	51852	55367	58783	48347	51102	48259	62168	48571	36270	57083	65461	70815
2023/24	68353	68811	68307	64843	70788	66054	70019	65808	55462	66868	70811	70029
2024/25	73766	79173	68865	67948	66106	73836	75280					

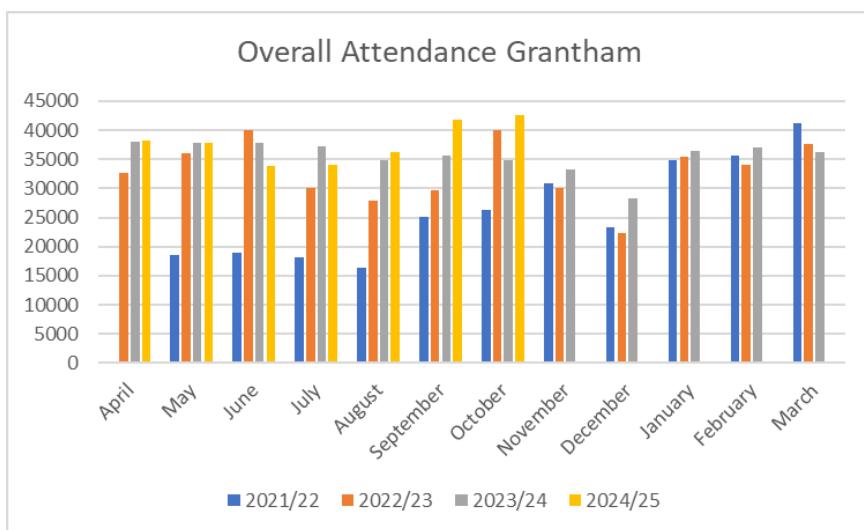
1.6 The graph below shows a combination of attendance at all three sites.



1.7 For Grantham Meres specifically the attendance information is as follows:-

	April	May	June	July	August	Septembe	October	November	December	January	February	March
2021/22	0	18615	18961	18135	16368	25103	26343	30770	23323	34893	35707	41166
2022/23	32579	36039	39937	30059	27914	29706	39934	30005	22280	35349	33988	37629
2023/24	38002	37911	37911	37217	34885	35610	34771	33320	28344	36489	36969	36213
2024/25	38204	37914	33871	34114	36158	41828	42500	-	-	-	-	-

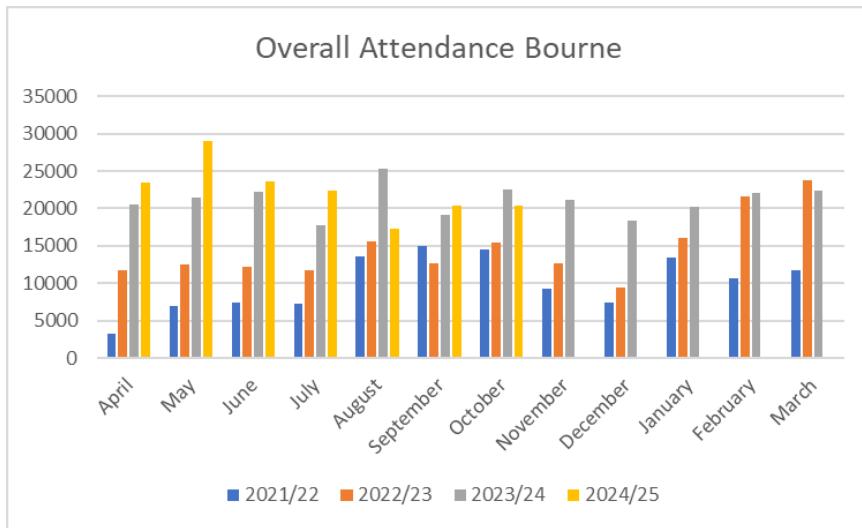
1.8 The graph below shows the information for the Meres: -



1.9 Bourne Leisure Centre specifically information is as follows:-

	April	May	June	July	August	Septembe	October	November	December	January	February	March
2021/22	3297	6937	7409	7262	13651	14988	14576	9338	7436	13432	10700	11733
2022/23	11794	12433	12223	11799	15625	12656	15442	12696	9393	15991	21598	23732
2023/24	20588	21465	22193	17748	25336	19209	22538	21234	18372	20173	22094	22459
2024/25	23453	29052	23682	22401	17239	20325	20352	-	-	-	-	-

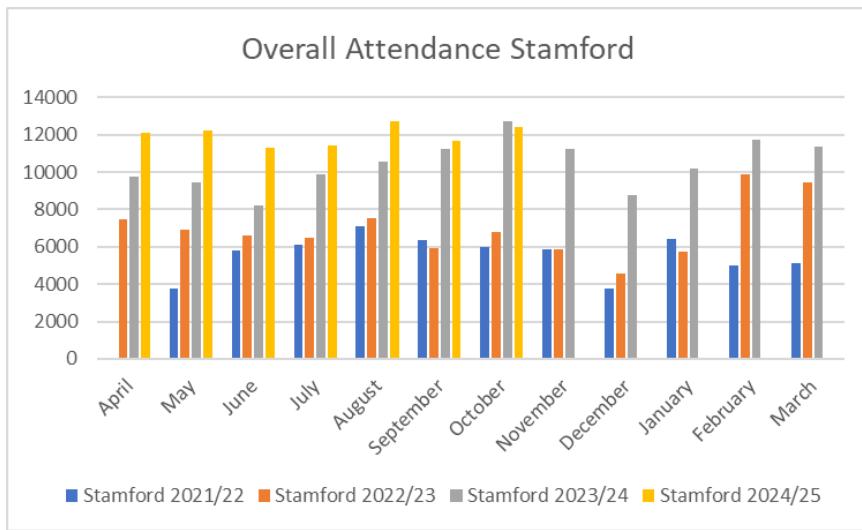
1.10 The graph for Bourne Leisure Centre is as follows: -



1.11 The attendance information for Stamford Leisure Pool is as follows: -

	April	May	June	July	August	September	October	November	December	January	February	March
2021/22	0	3735	5789	6121	7121	6346	5989	5876	3768	6396	4987	5109
2022/23	7479	6895	6623	6489	7563	5897	6792	5870	4597	5743	9875	9454
2023/24	9763	9435	8203	9878	10567	11235	12710	11254	8746	10206	11748	11357
2024/25	12109	12207	11312	11433	12709	11683	12428					

1.12 The graph for the information for Stamford Leisure Pool is as follows: -



1.13 Fitness memberships increased from 3,714 to 3,809 (as of September 2024), an increase of 95 (2.6%). Stamford increased by 45 (5.6%), Bourne increased by 42 (2.9%) and Grantham increased by 8 (0.6%).

- 1.14 Swim school increased from 3,522 to 3,592 (as of September 2024), an increase of 70 (2%). Stamford increased by 32 (3.9%), Grantham increased by 40 (2.5%) while Bourne decreased by 2 (0.2%).
- 1.15 The Board have been reviewing the levels of usage and comparing to pre-Covid levels for memberships. Bourne is the only centre that has recovered, and exceeded its pre-Covid membership levels, although Stamford is close. Grantham has not recovered to its pre-Covid levels with membership 30% lower.
- 1.16 This can be partly explained as it has the most significant competition of the three centres, but the Board have also noted that the gym is 8 years old, the lifecycle is normally 6 - 8 years and is therefore at the point where refurbishment is needed, to both maintain existing and, as seen with Bourne, increase new memberships.
- 1.17 The Board is therefore reviewing the options and business case for investment into the gym at Grantham with the Council and it may be that the Board write to the Council to request a loan for the provision of new gym equipment. The structure of the loan would be based on the previous decision for the replacement of gym equipment at Bourne Leisure Centre. ([Agenda for Cabinet on Thursday, 22nd September, 2022, 10.30 am | South Kesteven District Council](#)).
- 1.18 Prior to the previous Committee meeting on the 3rd September 2024 it was requested that the three Quest reports for the leisure centres were circulated which included an action plan for each Centre. LeisureSK Board of Directors review the action plans as part of the forward plan of agenda items. The link to the previous reports for information [Agenda for Culture and Leisure Overview and Scrutiny Committee on Tuesday, 3rd September, 2024, 10.30 am | South Kesteven District Council](#).

Business Plan 2025-2026

- 1.19 As part of the scrutiny of the draft Business Plan for LeisureSK Ltd 2025-2026 it is to be noted that this is for one year only and it is proposed that a 5-year plan will be presented to the committee in November 2026 once the new contract and KPIs for delivery of leisure services has been drafted and agreed by the Council under the new principles, and shared with the company.
- 1.20 The draft Business Plan 2025-2026 is Appendix 1 to this report with an exempt financial statement at the back of the plan.
- 1.21 The draft Business Plan 2025-2026 has been approved by the Board of Directors and has been issued by the company to the Council for endorsement.
- 1.22 A management fee of £450,000 was confirmed to be paid to LeisureSK Ltd for the financial year for 2024/25 following approval by Council on 29 February 2024.

1.23 LeisureSK Ltd has worked alongside the Council's Finance Team to ensure that the forecasting of the budget and the actual costs are as closely aligned as possible. The original and revised budgets for the Company for the year 2024-2025 are shown in **Exempt Appendix B**.

1.24 The LeisureSK Ltd budget for 2025-2026 has been prepared using Agency model assumptions in consultation with the Board of Directors and Council Officers.

1.25 The Committee received all of the information regarding the agency model principles as part of the 3rd September 2024 meeting ([Public Pack](#))[Agenda Document for Culture and Leisure Overview and Scrutiny Committee, 03/09/2024 14:00](#) where it was included in the financial year 2023/24 the amount of VAT which was irrecoverable was £341,788 and this is forecast to be £354,186 for the current financial year 2024/25. This plus the stabilisation of utility costs and the implementation of energy efficiency improvements at all three leisure centres have meant that company costs have decreased.

1.26 In addition, the Agency model principles result in the removal of irrecoverable VAT, which means the Company will not require a traditional management fee in its budget 2025/26. Instead, the budget includes a working cashflow stabilisation allocation of £150,000, to be paid to LeisureSK Ltd on the 1st April 2025 to assist with anticipated cashflow issues resulting from the transitioning to the new agency model. This sum will be recouped by the Council over the course of the financial year.

1.27 It is worth noting, the continuing improvement in the current financial position of the Company, which is discussed at each Board meeting. The Company is predicting a small profit this financial year and also forecasting a profit for 2025-26 which under the agency principles would be returned to the Council.

1.28 The current cash flow does however still show the Company in a deficit position before the end of this financial year, although the position is much improved from that previously reported.

1.29 The Company is in the process of discussing options with the bank to manage the position, rather than requesting an additional payment from the Council. The Company will require both Board and Council approval to enter into an arrangement with the bank.

1.30 The Board of Directors for LeisureSK Ltd are seeking endorsement from the Committee for the Annual Business Plan 2025-2026 and the sum of £150,000 be included as part of the budget setting process to the paid to the Company on the 1 April 2025.

2. Key Considerations

- 2.1 The contract between the Council and LeisureSK Ltd remains in place until 31st March 2025 under its current terms.
- 2.2 LeisureSK Ltd is committed to supporting the Council achieving its ambitions of having a sustainable leisure and cultural offer as per the new Corporate Plan 2024-27.
- 2.3 That a longer term Business Plan can be presented to the Committee next year once the specification, KPIs and new contract under the agency principles has been reviewed and entered into.

3. Appendices

- 3.1 Appendix A – Draft Business Plan 2025-2026 with exempt appendix 1A – Financial Information.
- 3.2 Exempt Appendix 2 - Original and Revised Budget 2024-2025

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LeisureSK Limited

Business Plan 2025/26



1. Executive Summary
2. Mission, Vision and Values
3. The Facilities
4. Achievements 2023/24
5. SKDC
6. Critical Success Factors
7. Business Objectives
8. Service Improvements
9. Marketing
10. Demographics
11. SWOT Analysis
12. Products and Services
13. Objectives and Strategy
14. Finance
15. Contract Structure & Responsibilities



Section 1.0 – Executive Summary

LeisureSK Ltd was established in September 2020 to take over the management of the Council's four leisure facilities on the expiry of the previous leisure contract with Leisure in the Community Ltd (trading as 1Life) on the 1 January 2021.

LeisureSK Ltd is a Teckal company and is wholly-owned by South Kesteven District Council. Its primary role is to provide high quality leisure opportunities across the district to support the Council's strategic aim to the "the best district to work, live and visit".

The management of the three leisure centres is covered under a contract arrangement between South Kesteven District Council and LeisureSK Ltd. The contract term is for an initial two years from the 1st January 2021, with the option to extend for a maximum further three years. A new 10 year contract has been agreed and will begin on the 1st of April 2025.

The success of the company is assessed by a number of outcomes:

- Providing increased access for South Kesteven residents of all backgrounds to leisure facilities;
- Reducing social isolation;
- Improving the emotional and physical health of residents;
- Providing a sustainable leisure service.

The Board of Directors of LeisureSK Ltd will be responsible for the operation and performance of LeisureSK Ltd. The Council's Assistant Director for Leisure and Culture, supported by the Leisure Team, will act at the Council's representative, undertaking a robust contract monitoring role and ensuring that the objectives of the contract and the key performance indicators are achieved. The Council's Companies Committee will continue to receive six monthly updates on the performance of LeisureSK Ltd and agree the annual business plan. The Council's Culture and Visitor Economy Overview and Scrutiny Committee also receive six monthly updates on the company's performance against the contract key performance indicators.

The Council's leisure facilities providing a range of memberships and pay-as-you go for leisure activities both for individuals and sports clubs and organisations. These centres are an important Council asset in keeping the residents of South Kesteven active and healthy.

LeisureSK Ltd supports the Council's Corporate objectives by:

- Providing high quality leisure facilities across the district
- Working effectively with partners in the voluntary, private and public sectors for the benefit of local communities
- Being an active delivery partner of the Council's Sports and Physical Activity Strategy which was adopted in December 2021.



LeisureSK Ltd has set a number of strategic goals and objectives to underpin the delivery of the Council's objectives as follows:

- To identify and breakdown barriers to accessing the leisure facilities in South Kesteven
- To connect communities, looking at outreach programmes outside of traditional leisure facilities
- To reduce social isolation and promote independent living in South Kesteven
- To improve the physical and mental health of residents through targeted healthy lifestyle programmes
- To facilitate and support the future of Council owned leisure and cultural facilities in South Kesteven



Section 2.0 – Mission, Vision and Values

Mission

“To provide a physical activity and wellness network for our community, promoting healthy lifestyles, supporting wellbeing and inspiring everyone to live a more active life.”

Vision

“Incorporating physical activity into everyday life, reaching more people, and making a difference to our community.”

Values

LeisureSK:

Encourages healthy lifestyles
Inspires physical activity
Supports wellbeing
Unites communities
Respects differences
Empowers people
Safe and professional
Knowledgeable



Section 3.0 – The Facilities

Physical Details of the Sites -

Grantham Meres Leisure Centre and Football Stadium – Trent Road, Grantham



- The original Table Tennis Centre was built in 1991
- The leisure Centre extension was added 1998
- This is the largest and newest facility in the Council's leisure portfolio
- The facility is owned by SKDC, as is the neighbouring Football Stadium
- Annual usage in 2024 was 433,933 (November – October)



Bourne Leisure Centre – Queen's Road, Bourne



- Built in 1988
- The facility owned by Lincolnshire County Council and leased to Bourne Academy
- Used by SKDC under a Chance to Share Agreement
- Bourne Academy have priority of the sports hall daytime only, this is open to the community for evenings and weekends
- The remainder of the leisure centre is fully available for community use
- Annual usage 2024 was 260,836 (November – October)



Stamford Leisure Pool – Drift Road, Stamford



- Built in 1986
- The facility is owned by SKDC
- It is predominantly a leisure pool with small gym facility
- Annual usage in 2024 was 137,146 (November – October)



Operations

The operation of the facility is governed by 2 key drivers,

- The contract with SKDC, this outlines the expectations of both parties, as well as the key performance indicators (KPI's).
- LeisureSK Normal Operating Procedures, Emergency Action Plans and Quality Management Systems – These indicate more specifically how levels of service are to be achieved, and how each area of the service should be delivered.

There are many other secondary drivers to the service delivery such as Government priorities including obesity and type 2 diabetes, smoking cessation and mental health to name a few. Other secondary drivers include local sports clubs, local trends and pressure groups, benchmarking results, Sports Development plan, competition and local area agendas.

All day to day operational procedures and emergency procedures are covered in the Normal Operating Procedures (NOP). This document is issued to all new staff during their induction process, and ongoing training and competency assessments are undertaken with key staff who need to implement the contents of the documents.



Section 4.0 – Achievement and Developments 2024-25

- Overall attendance at the centres increased by 76,540 (10.1%)
- Swim school growth of 91 (2.6%)
- Membership growth of 161 (4.5%)
- Mandatory training and updates moved to E-Learning including competency tests
- Community CPR sessions delivered in partnership with Parish Councils
- Gymnastics sessions expanded at Grantham Meres



Section 5.0 – South Kesteven District Council (SKDC)

LeisureSK Ltd and SKDC's relationship has continued to evolve, develop and enhance, over the last four years with dedication from both parties to work together. Regular meetings are held with the Council's Leisure team as well as support from Finance, IT and Property Services when needed.

The key benefit of partnership working is to look forward at developments and improvements. It will assist LeisureSK Ltd in achieving its mission and goals, by providing the Council with a high quality of service which is sustainable.

The Council has recently agreed to renew the leisure services contract with LeisureSK Ltd, by entering into an agency model agreement from April 2025 for the next 10 years. This will see LeisureSK Ltd operating as the Council's nominated agent for the delivery of its services and bring greater financial stability to both the Company and the Council.

Moving into 2025/26 LeisureSK Ltd and the Council will continue to work together on projects including:

Building Conditions surveys for all sites and how this will inform ongoing investment and bidding for external funding

Following the full building condition surveys which were commissioned by the Council in 2022 across all three leisure centres and the football stadium, which also included a full survey of the Mechanical and Electrical Installation and the Pool Filtration systems, the Council's Property and Leisure Teams have been working together to undertake remedial works identified.

In September 2024 the Council approved a Maintenance Strategy for its portfolio of assets in order to establish a criteria for the allocation of funding to deal with maintenance – both responsive and planned. There is currently a high amount of backlog maintenance across the portfolio which includes the leisure centres due to lack of investment over recent years. This is currently being addressed but given the scale of the backlog and the limited financial resources available, it will take several years to clear the backlog and move the Council into a planned maintenance programme rather than a reactive maintenance programme.

Property repairs are prioritised by their functional corporate importance and decisions in respect of importance and service delivery are made in line with the approved allocation criteria. The condition surveys undertaken categorises the findings between A (good) to D (bad).

Since the condition surveys were undertaken the Council has been focussing on rectifying works categorised as D rated, which are items at their end of life or at risk of imminent failure, and starting to work of C rated works which are those exhibiting major defects and/or not operating as intended and will require attention in the short term, although not immediate.



Links to the County wide Health and Wellbeing Strategy:

District Councils play an active role with Integrated Care Boards as it has been acknowledged that they are well placed in the system to influence and effectively work with partners to deliver sustainable change. The Council, along with the other six district Councils in Lincolnshire has adopted its own Health and Wellbeing Action Plan which links into the county wide Lincolnshire Districts Health and Wellbeing Strategy. The Strategy focuses on five priority areas where district councils can have the most impact including:

- Housing and Homelessness
- Activity and Wellbeing
- Environment and Climate
- Economic Inclusion
- Community Engagement.

As the Council's key delivery partner for activity and wellbeing, LeisureSK Ltd continue to support the Council in achieving the aims of the Districts Health and Wellbeing Strategy including helping to reduce inactivity levels across the district, and ensuring that there are opportunities for all residents to be active both inside and outside of a traditional leisure setting.

This will continue in the future with the transition to a more place based approach as set out in Central Government's Get Active Strategy.

Links to the Council's work on the Corporate Plan 2024/27:

The Council's Corporate Plan includes a key priority of 'Connecting Communities'. LeisureSK Ltd contribute to achieving this aim by providing a wide range of activities in the leisure facilities across the district and by supporting the Council in the delivery of its Sport and Physical Activity Strategy 2021/26.

Energy Efficiency Improvements

Over the past 18 months the Council has been successful in its applications to various funding streams which aim to deliver energy efficiency improvements across the leisure centres. In addition to this the Council has also utilised its own funding from its Climate Change Reserve to deliver initiatives that will not only benefit the Council by providing carbon reductions, but also financial savings to LeisureSK Ltd. These included LED lighting upgrades, pool covers installed on all pools and additional new solar panel installation on the roof at Grantham.

During 2025/26 the Council will continue with its two year decarbonisation project at Grantham Meres Leisure Centre which will see a Net Zero Pod being installed utilising air source heat pumps rather than gas. This SALIX funded programme will also complement the works being undertaken as part of the condition surveys.



Section 6 - Critical Success Factors

Effective Financial Control –

- The General Managers have overall responsibility of finances on site. They can approve expenditure limits for other senior staff, have overall responsibility for signing off invoices, raising orders, and reimbursing staff expenses.
- The system used for purchase orders is Sage.
- Financial audits are completed annually.
- The budgets are reported on a monthly basis to the LeisureSK Board.
- The site budget is developed by the LeisureSK management team. This is then finalised and reported to the LeisureSK Board for approval. This forms the financial section of the business plan and is a key driver for all other operations.
- Finances are continually reviewed and forecasted ahead with known variances highlighted and indications into the next financial year.
- A full copy of the draft financial budget for 2025-26 is included in this Business Plan.

Service Quality and Improvement

- LeisureSK uses a number of performance indicators to assess and evaluate the performance of the facility. From these indicators, action plans are devised and followed.
- As part of the new contract with the Council new KPIs are being drafted but were not ready for inclusion in this one year business plan

Health and Safety Management

- Each member of staff has a H&S induction before commencing their duties, this covers the basic H&S information they need, information on the chemicals they will be in contact with, evacuation procedures, and reporting mechanisms.
- LeisureSK has an adopted Health & Safety Policy. This is updated annually, and all staff receive a copy of this upon employment. A copy is also made available in the staff room.
- The site consults with its employees regularly through a health and safety meeting chaired by the board member responsible for health and safety. This meeting has representation from each centre and they are encouraged to raise any health and safety issues or concerns. Any issues raised at this meeting are then discussed at management meetings and actioned where appropriate.
- The Contract Manager is qualified through the Institute of Occupational Health and Safety and has overall responsibility for health and safety across the sites. H&S forms an integral part of all meetings, and is a standard item on every agenda and is imbedded as part of the culture of LeisureSK.



- Site Normal Operating Procedures (NOP), Emergency Action Plans (EAP) and Risk Assessments are regularly reviewed in line with any business changes, new or updated legislation or following an accident or incident.

Cleaning and Housekeeping -

- Facility standards regarding site presentation and cleanliness are very high. A sense of pride and ownership is felt within the team and also within many of the customers to have a well presented facility.
- All sites have a comprehensive cleaning schedule, covering all areas of the facility. Once a task is completed the member of staff will sign the job off. It is then the responsibility of the Duty Manager to check and countersign that the work has been completed to the required standard. This ensures the facility is presented at a high standard at all times.
- The Duty Managers check that cleaning is at an acceptable level each day and highlight areas for improvement.
- Regular monitoring visits are completed by SKDC's Leisure Client Team to monitor required standards are ensure these are being met.
- SKDC submit a contract monitoring report to the LeisureSK Board of Directors for information and to have an overview of the standards and any works required

Staff Training and Development -

- Staff training and development is one of the fundamental pillars of the business. LeisureSK has a training plan and training budget to support service delivery and achievement of LeisureSK's key objectives.
- Staff Performance Management Reviews (PMRs) are key in defining an individual's training needs, and these are carried out annually with all staff.
- Swimming teachers are expected to attend one Continuous Professional Development course per annum, which are fully funded by LeisureSK.
- Any change in the business plan or additional programming will require a change to the training plan for staff and individual need are also assessed on an ongoing basis with regular reviews of competency taking place.
- LeisureSK has linked with some external training providers such as Lifetime Training to offer courses in fitness, sales, management and customer service.
- LeisureSK works closely with Swim England to deliver Swim Teacher courses.
- LeisureSK has developed a Management Development Programme in partnership with The HR Branch, this program will ensure all managers skills are developed to succeed within LeisureSK.



Effective Management and Communication –

- Communication between staff on site is effective due to the range of tools used to communicate to all staff.
 - Staff meetings – All centre's have a management meeting every month. Departments meet regularly and a full team meeting is held at each site every 6 months.
 - E-mail – every member of staff who accesses a PC has an e-mail account; this is an effective method of getting direct messages to one person or targeting a wide audience with the same message.
 - Noticeboards – Staff are kept updated on issues, and company policies/performance by noticeboards.
 - SK Link – this can be used to message all staff including those not on LeisureSK emails.

Marketing and Research -

- The key Marketing activity that we will be concentrating on this year will be based around our membership sales activity, and target groups. We are identifying groups and locations which are currently under represented in the facility, and will specifically target these areas.
- We will use local events to market our facility and programme, and will sponsor local events, and offer prizes to local charitable events or competitions.
- Outreach will be carried out monthly, and this will be a varied mix of door to door, leaflet drops, market stalls, street questionnaires, and involvement in local sporting events.
- Research – both user and non-user will be carried out in a number of methods.
 - Customer satisfaction surveys
 - Linking to National and Local Government research
 - Non user surveys within the town
 - Exit surveys on cancelling members
 - Post use questionnaires
- This information will be correlated and used to form action plans.
- New website and app

Equipment –

- Although the equipment on site is of a good standard, we will always look to introduce new equipment to facilitate new sessions and create additional income. This will be looked at following meetings with SKDC, customer consultation i.e National Benchmarking Service, or local requirements identified elsewhere.



Consultation and Customer Feedback –

- The sites will consult with customers through forums, meet the manager dates and customer feedback forms.
- The sites will complete an annual customer satisfaction survey.
- All LeisureSK sites upload data to the national Moving Communities database
- Feedback from customers is analysed by site and key information is produced and reviewed.
- The customer feedback is also discussed at management meetings.
- Any key issues raised or continuing issues will be discussed by management and action plans put in place.
- The Centre regularly uses mystery shoppers to measure the customer service. From this each site then produces an action plan to improve the customer service offering which is discussed at both a site level and included within the contract management monthly meetings. Feedback around the mystery visit process is also shared with SKDC's Leisure Client team during the monitoring meetings.



Section 7 – Business Objectives

Short Term – 12 months

- Reduce utility consumption by 5% year on year
- Expand the community CPR scheme to train a minimum of 200 people per year
- Increase participation at all sites by 5%
- Deliver training, learning and development to all team members
- Engage with the local community to launch health-based activities in rural areas

Medium- and long-term objectives are being developed in partnership with SKDC and will be included in all future Business Plans once the company have reviewed the new contract, specification and new suite of KPIs.



Section 8 - Service Improvements

How service improvements will be identified –

- Service improvements and continuous improvement will form a key part of the future development of LeisureSK. There will be a number of methods used to identify possible improvements, and these are listed below.
- Staff consultation and feedback
- Customer feedback and user forums
- Club forums
- Liaising with SKDC
- Liaising with Active Lincolnshire
- Quality Audits
- Mystery shopper information carried out locally on site
- The improvements will be achieved by feeding the information gathered in the above method into action plans.
- LeisureSK is signed up to Quest which is Sport England's recommended Continuous Improvement Tool for leisure facilities and sports development teams, designed to measure how effective organisations are at providing customer service. Established for over 20 years it is supported by Sport England as well as organisations like CIMS, ukactive, Chief Leisure Officers' Association and SPORTA. As part of the Quest assessment all the centre's will receive a mystery visit and then have the option of either a 1 day Quest assessment or a 2 day Quest Plus assessment. As part of both assessments there are 6 core modules which are included including compliance declaration, operational management, environmental management, managing the team, customer journey and tackling inequalities. Following on from the overall assessment the centre's are given a banding of either Unsatisfactory, Satisfactory, Good, Very Good or Excellent. Should the centre undertake Quest Plus there is an additional banding of Outstanding.
- All these action plans will be the responsibility of the centre management teams which will allocate all key tasks to a specific staff member along with deadline dates, and expected outcomes.



Section 9 – Marketing

The annual plan for marketing can be found below



Section 10 – Demographics

SKDC Note: Births

As of June 2023, the district's population is estimated to stand at 145,758 (latest release). 14,863 residents are aged under nine (Age 0-4: 6,700, Age 5-9: 8,163). A breakdown by age is provided in Table 1.¹

Table 1: SKDC Population Age by Single Year under Nines, Mid-Year 2023

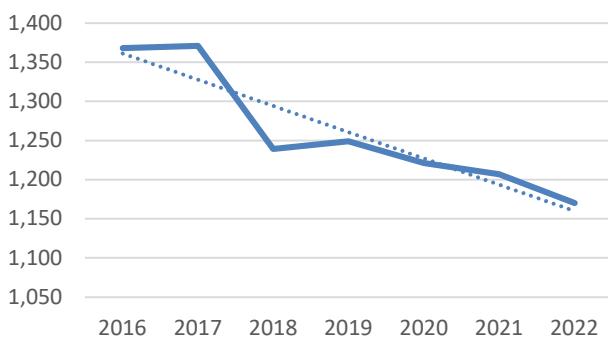
Age	Total
Aged under 1 year	1,199
Aged 1 year	1,282
Aged 2 years	1,363
Aged 3 years	1,399
Aged 4 years	1,457
Aged 5 years	1,538
Aged 6 years	1,520
Aged 7 years	1,665
Aged 8 years	1,742
Aged 9 years	1,698

Data on the number of births is available up to 2022 (latest release).² Birth rates are falling in line with national trends (Table 2, and Figures 1 & 2).

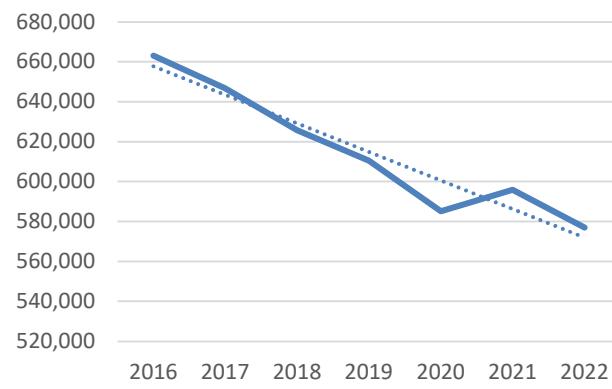
Table 2: Live Births by Year, South Kesteven vs England

Year	South Kesteven	England
2016	1,368	663,157
2017	1371	646,794
2018	1,239	625,651
2019	1,249	610,505
2020	1,221	585,195
2021	1,207	595,948
2022	1,170	577,046

South Kesteven Live Births by Year



England Live Births by Year



Figures 1 & 2 - Live Births 2016-2022, Source: Office for National Statistics

¹ Estimates of the population for England and Wales - Office for National Statistics (ons.gov.uk)

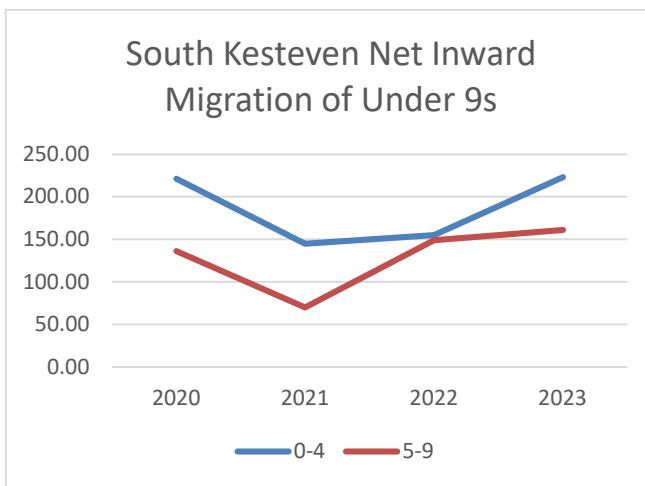
² Births in England and Wales: summary tables - Office for National Statistics (ons.gov.uk)



The population has not grown naturally (births minus deaths) since 2016. However, the population is growing and is projected to continue doing so. This is being driven by inward migration from other parts of the UK, and from 2021 increasingly international sources.

Detailed data on the age and origin source of the new arrivals is available up to 2022. The age cohorts are available for 2023.³ At the same time residents exiting the district. The inward, outward and net numbers of new arrivals in the concerned age cohorts is presented in Table 3. These are of course not lone individuals, but will arrive in family units, who could have more children once in the district. The inward migration is increasing but should be considered as a small addition to the birth cohorts (Figure 3).

Age	Inward			Outward			Net		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Age 0	46	69	44	23	41	17	23	28	27
Age 1	119	107	108	70	106	69	49	1	39
Age 2	122	110	96	77	75	63	45	35	33
Age 3	103	113	112	46	83	68	57	30	44
Age 4	99	120	97	52	69	85	47	51	12
Age 5	84	69	87	59	70	48	25	-1	39
Age 6	75	77	81	48	61	73	27	16	8
Age 7	79	78	92	43	49	53	36	29	39
Age 8	78	80	98	48	64	56	30	16	42
Age 9	74	83	92	56	73	71	18	10	21



Potential Impact of Falling Birth Rate

LeisureSK's largest income stream is children's swimming lessons. The birth rate in South Kesteven has dropped by 14.4% from 2016 to 2022. This could have an impact on swimming lesson numbers, if there was a drop in swimming lesson numbers in future years LeisureSK will have to explore ways to make this income elsewhere



Section 11 – SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Price point – low-cost membership • Passionate teams • Cleanliness of sites • Free parking at all sites • Swim lesson scheme • Good relationship with SKDC • Grantham location – ideal for hosting events • Modern gym at Bourne • Strong operational team • Good Facebook following at each site 	<ul style="list-style-type: none"> • Maintenance issues at all sites • Shortage of team members • Lack of investment in buildings • Only leisure pools in south of district • Social Media presence limited to Facebook • LeisureSK brand not well known • Small gym space at Stamford • Outdated gym equipment at Stamford and Grantham
Opportunities	Threats
<ul style="list-style-type: none"> • Develop the Table Tennis Centre at Grantham • Link with GP's to deliver health programs • Set up our own training centre to deliver industry courses • Community outreach and activities for rural areas • Gymnastics and trampolining courses at Grantham and Bourne • Promote the LeisureSK brand for all health needs • Link with training providers to deliver management qualifications • Invest in energy efficiencies for long term savings 	<ul style="list-style-type: none"> • Difficulty in recruiting qualified staff in group exercise and exercise referral to develop centre programmes • Difficulty in recruiting swim teachers • Long term maintenance issues at sites • Increase in National Living Wage and cost of maintaining differentials • Gym market is very competitive in Grantham



Section 12 – Products and Services

The services offered across the company vary in line with the individual facilities but include:

- Gym, fitness class and swimming memberships
- Swimming (general swim, swimming lessons, school swimming and pool hire)
- Other sports facilities hire (one-off and block bookings)

Secondary income is generated through café and bar (in the case of Grantham Meres), through concessions for cafés and vending, and from minor retail (primary swimwear).

A summary of the facilities currently available at the individual sites is as follows

Grantham	Bourne	Stamford
70 Station Gym	40 Station Gym	15 Station Gym
2 Group Exercise Studios	Group Exercise Studio	Leisure Pool with Flume & Other Features
Indoor Cycling Studio	Leisure Pool with Flume & Other Features	
6 Court Sports Hall	4 Court Sports Hall	
8 Lane Competition Pool	Cafe	
Learner Pool		
Leisure Pool with Flume		
Outdoor grass pitches		
Table Tennis Centre		
3G Synthetic Pitch		
Meeting Rooms		
Café		
Outdoor tennis/netball courts		



Section 13 – Objectives and Strategy

Objective – Reduce Utility Consumption by 5%

Strategy – Explore all investment options including lighting PIR's, LED upgrades, water saving measures and temperature controls. Nominate and train an energy champion at each site. Audit sites monthly and produce energy reduction plans. Work with SKDC and Leisure Energy to maximise all available reductions during PSDS works at Grantham

Objective – Expand the community CPR scheme beyond Parish Councils

Strategy – Reach out to large employers in the District to offer the training. Reach out to local community and volunteer groups to offer the training, the leisure centres can be used free of charge if no other suitable venue is available. Expand the number of team members able to deliver the sessions. Continue to work with all Parish Councils to refresh existing training when needed

Objective – Increase participation at all sites by 5%

Strategy – Target available sports hall and swimming pool spaces by contacting local clubs. Work in partnership with local health providers to host new sessions. Regularly review the timetable at the centre, amending sessions with low attendance if necessary. Work with the SKDC leisure team to identify new sessions that would benefit the community.

Objective – Deliver training, learning and development to all team members

Strategy – work with local education providers to identify relevant courses. Work with local partners to explore funding opportunities. Instill a structured appraisal program to ensure learning, training and development needs are identified and delivered. Work with The HR Branch to create an internal training program to compliment external qualifications

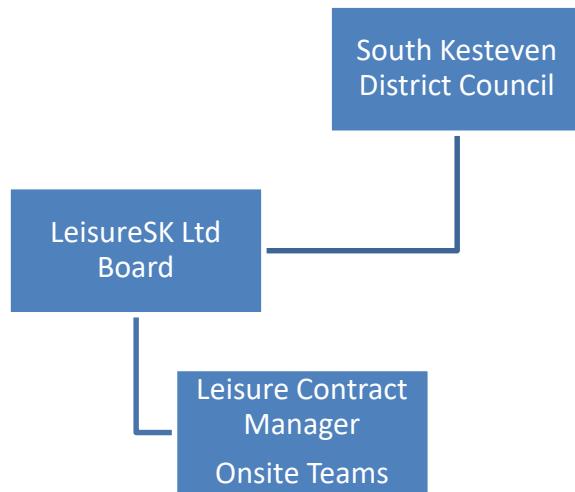
Objective – Engage with the local community to launch health-based activities in rural areas

Strategy – Work with SKDC Leisure Team to identify where health-based sessions are needed most. Work with local community groups to establish what sessions are wanted. Use data from Moving Communities surveys to target areas where there is most demand. Create a calendar of activities and events for rural areas. Allocate necessary resources to deliver the sessions.



Section 14 – LeisureSK Structure and Responsibilities

The Organogram below details the relationship between the Council, the Board of Directors, and the onsite teams

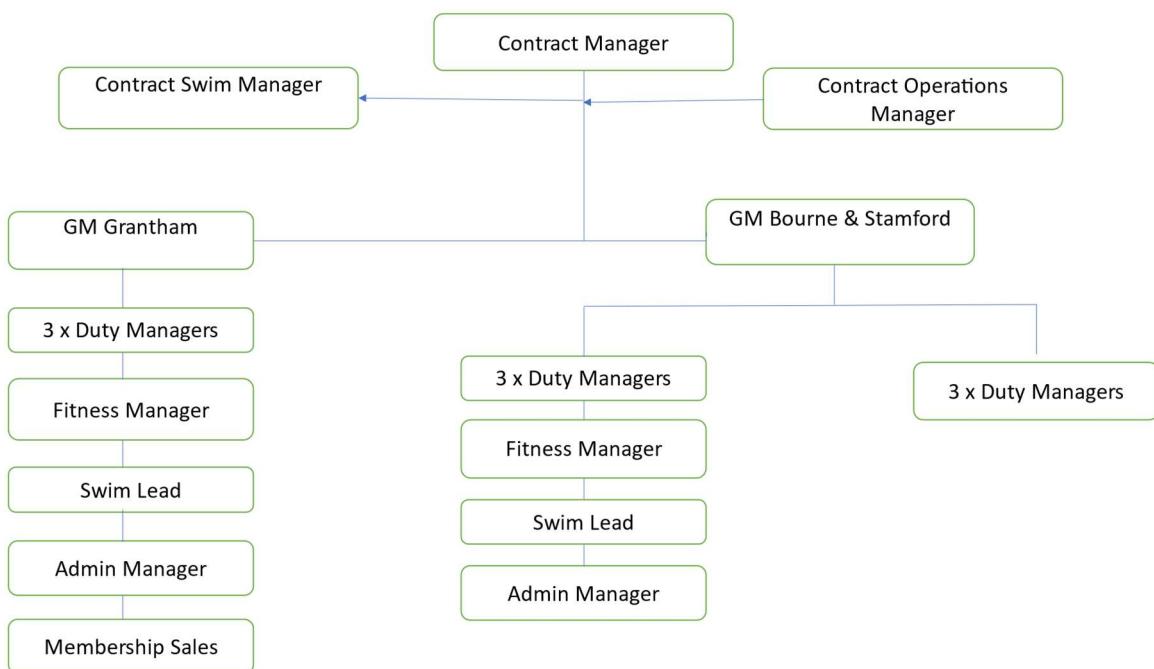


The Directors of LeisureSK Ltd have been appointed by Council and are:

- Debbie Roberts, Director and Chair
- David Monkhouse, Non-Executive Director
- Paul Sutton, Director
- Cllr Patsy Ellis, Director
- Cllr Phillip Knowles, Director



The current operational management structure for LeisureSK Ltd is shown below:



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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