



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



# Culture and Leisure Overview and Scrutiny Committee

26 March 2024

Report of Debbie Roberts,  
Chairman of LeisureSK Ltd

## LeisureSK Ltd Performance Report – August 2023 - February 2024

### Report Author

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### Purpose of Report

To provide an update to the Culture and Leisure Overview and Scrutiny Committee on the performance of LeisureSK Ltd against the leisure management contract objectives.

### Recommendations

**It is recommended that the Culture and Leisure Overview and Scrutiny Committee:**

- 1. Notes the contents of this report and suggests any enhancements to the level of information provided for inclusion in the next six-monthly update.**

### Decision Information

Does the report contain any exempt or confidential information not for publication?	Exempt Appendix A and B - Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act
What are the relevant corporate priorities?	<ul style="list-style-type: none"><li>• Connecting Communities</li><li>• Effective Council</li></ul>
Which wards are impacted?	All

## 1. Background to the Report

- 1.1 The Council's Corporate Plan 2024 to 2027 sets out the key priorities for the Council and 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. The Council's leisure contract with LeisureSK Ltd focusses on embedding an approach that seeks to continuously improve service delivery and customer experience.
- 1.2 The Council's Culture and Leisure Overview and Scrutiny Committee previously received a six monthly update on the performance of LeisureSK Ltd at the meeting held on 05 September 2023. Subsequent reports relating to the LeisureSK Ltd and the request for a management fee for 2024/2025 have also been presented to Members of this Committee on 30 November 2023 and 09 January 2024 (see **Background Papers**).
- 1.3 This report covers activities which have taken place between August 2023 and February 2024. For ease of reading, seven subsets have been created as follows:
- A. An overview of LeisureSK Ltd Operations/Staffing
  - B. An overview of LeisureSK Ltd Community and Outreach Activities
  - C. An update on the Council's Leisure Centres
  - D. An update on the work of the Council's Leisure Team
  - E. LeisureSK Ltd Performance Monitoring
  - F. Leisure Centre Condition Surveys
  - G. Quality Assurance

### (A) LeisureSK Ltd Operations/Staffing

- 1.4 LeisureSK Ltd continues to face operational challenges in relation to increased supplier costs and the significant increase in the cost of utilities. This aligns with the national picture and the challenges being faced by other leisure providers. A management fee of £500,000 for LeisureSK Ltd was budgeted for the current

financial year, however as a result of difficult trading conditions during the current year, an additional management fee of £273,000 was approved at a meeting of the Cabinet on 18 January 2024 (see **Background Papers**).

- 1.5 The current forecasted deficit for the Company is shown in **Exempt Appendix A**. A copy of the January 2024 Budget Monitoring Statements can be found in **Exempt Appendix B**.
- 1.6 As a result of the increase in management fee and given the financial concerns around the management of LeisureSK Ltd which was discussed in the previous Culture and Leisure Overview and Scrutiny Committee on 09 January 2024, Cabinet have requested the following list of actions to be undertaken:
  - Officers to be tasked to write to Leisure SK Ltd to request a mitigation and recovery plan for the financial years 2023/24 and 2024/25 in response to the management fee request with a view to seeking the level of management fee being requested reducing further for 2024/25 .
  - The Cabinet member for Finance and Cabinet member for Leisure to receive regular detailed budget forecast reports from Leisure SK Ltd between now and end of financial year 2023/24.
  - An urgent independent assessment of the business plan and profit and loss account for the financial years 2023/24 and 2024/25 be undertaken and any corrective action or mitigations proposed be implemented.
  - An independent assessment of the existing governance model and operational financial management controls be undertaken to ensure they are fit for purpose and effective.
  - To continue with an independent review of the VAT and taxation implications which was already underway.
  - The Councils s151 Officer be asked to undertake a review of the financial information, a review of the Board minutes and level of financial support being provided to Leisure SK Ltd and to recommend to Cabinet any corrective actions that may be required Medium Term.
  - To accelerate the options appraisal for the future delivery model of the leisure services including insourcing and full marking testing by tender with leisure providers. This to be undertaken within the shortest of timelines.
- 1.7 The above actions represent a significant amount of work, and a team of Officers are working closely with Members of Cabinet to ensure these can be progressed as quickly and efficiently as possible. Due to the complexity of the work, a further report will be provided to this Committee in June 2024 to provide an update on this work.
- 1.8 In addition to this the Board of Directors for LeisureSK Ltd are working with Senior Officers of the Council to try a mitigate any costs for the remainder of the current financial year. This includes a recruitment freeze across the company which came into effect in January 2024 with all requests to recruit needing to be made by the Chairman of the Board to the Chief Executive of the Council.

- 1.9 The recruitment of suitably qualified staff continues to be a challenge within the leisure industry, this has caused difficulties at Grantham Meres Leisure Centre where there has been a higher turnover of staff. The primary roles which have been difficult to recruit to are Leisure Assistants, Swimming Teachers and Duty Managers.
- 1.10 The General Manager at Grantham Meres Leisure Centre left the company in early December 2023 and this position has been vacant since, being covered by the Contract Manager due to the recruitment freeze and the overspend on staffing this financial year. The post is included in the budget from 01 April 2024.
- 1.11 To try and mitigate the increased staffing costs across the three centres, the Contract Manager for LeisureSK Ltd, with the support of the Board, undertook a senior management staffing restructure which was completed in August 2023. As a result, this removed the Operations Manager positions at Bourne and Grantham, with the position being replaced by a Contract Operations Manager who oversees all three centres. The General Manager position at Stamford was removed, with the General Manager at Bourne now being a dual site role overseeing both Bourne and Stamford. The Contract Health and Wellbeing Manager role was made redundant with the post holder leaving the company in November 2023.
- 1.12 The human resources (HR) consultancy firm, The HR Branch, continue to provide external professional human resources and payroll support to LeisureSK Ltd.
- 1.13 LeisureSK Ltd continue to work with a national apprenticeship provider, Lifetime Training, to deliver the following qualifications for staff:
- Level 2 Leisure Team Member
  - Level 3 Leisure Duty Manager
  - Level 3 Personal Trainer
- 1.14 There are currently ten team members undertaking apprenticeship qualifications.
- 1.15 LeisureSK Ltd and the Board of Directors remain committed to growing and developing the teams. Since August 2023, the following courses have been hosted across the leisure centres to assist with the recruitment of staff and to upskill the current workforce:
- National Pool Lifeguard Qualification
  - Level 1 Swim England Assistant Swim Teacher
  - Level 2 Swim England Swim Teacher
- 1.16 In addition, team members have also undertaken the following external training courses to develop their skills and extend the range of activities on offer:
- Royal Lifesaving Society Internal Quality Assurance

- Level 3 Award in Education and Training
- Aquafit Instructor
- First Aid for Mental Health
- National Rescue Award for Swimming Teachers and Coaches
- Legionella Awareness
- Legionella for Responsible Persons

## **(B) LeisureSK Ltd Community and Outreach Activities**

1.17 LeisureSK Ltd continue to develop their programme of community and outreach activities, promoting and increasing their health and wellbeing offering. Events attended include:

- Musculoskeletal Health Village Roadshow in partnership with the NHS
- Health and Wellbeing Event in partnership with the Bourne and Deepings GP Practices

1.18 Other initiatives which continue to be delivered by LeisureSK Ltd include:

- Specialist classes at Bourne Leisure Centre which provide targeted interventions and provide enhanced health and wellbeing outcomes. These include classes for those suffering from Chronic Obstructive Pulmonary Disease (COPD), Cardiac Rehabilitation, Weight Management, Mindfulness Meditation, and classes to aid balance and coordination.
- Good Boost, which is an app based therapeutic water exercise programme for people with musculoskeletal conditions, at Bourne Leisure Centre and Grantham Meres Leisure Centre.
- Delivery of the Royal Lifesaving Society's Save a Life campaign in the community at various locations.
- Wellbeing Walks from Bourne Leisure Centre, Stamford Leisure Pool and The Deepings Coronation Hall.
- Fighting Fit Cancer Rehabilitation classes at Grantham which are delivered in partnership with the Lincoln City Football Foundation. This has also been launched at Bourne Leisure Centre from October 2023.
- Special Educational Needs and Disability (SEND) swimming lessons and family swim session at Bourne Leisure Centre and Grantham Meres Leisure Centre.
- Exercise on Prescription continues to be delivered at Bourne Leisure Centre and Grantham Meres Leisure Centre.

1.19 Partnerships continue to be developed between the Council, LeisureSK Ltd and wider organisations providing physical activity in the county including One You Lincolnshire, Active Lincolnshire and Inspire+.

1.20 Following on from the management restructure with the removal of the Contract Health and Wellbeing Manager role and as a result of the ongoing financial

pressures the company is experiencing, the Board of Directors have agreed to a suspension on some of its community engagement programmes. Alternative options for delivering some of the community programmes (such as volunteers to lead the health walks) have been agreed in the short term. This will be reviewed in the future however it is expected that some of the initiatives mentioned will cease if funding has ended to deliver a specific programme, reducing the operational resource and financial impact.

## **(C) Update on Council Leisure Centres**

- 1.21 Following the announcement from Government of the £60 million Swimming Pool Support Fund, Council Officers submitted a bid to Phase One of the fund in August 2023 which was the revenue support element to help mitigate the increased energy and pool chemical costs.
- 1.22 The Council was subsequently notified in September 2023 that a successful funding allocation had been made in relation to Grantham Meres Leisure Centre and Stamford Leisure Pool, the total amount of support being provided amounting to £344,659. The request to approve receipt of this funding was presented to Cabinet on 07 November 2023 (see **Background Papers**). This funding was used by the Council to reduce the overall management fee to LSK from £773,000 to £428,431.
- 1.23 Phase Two of the fund was launched in October 2023 to provide capital investment improving the energy efficiency of swimming pools in the medium to long term with £40 million of funding available from central government and an additional £20 million of Lottery funding, totalling £60 million capital funding available.
- 1.24 To complete the work previously undertaken by Leisure Energy, Council Officers worked with Leisure Energy in preparing the applications for this phase of the funding due to the technical requirements involved. Applications were prepared and submitted for Grantham Meres Leisure Centre, Stamford Leisure Pool and Bourne Leisure Centre with the same interventions at each centre of additional Solar PV and the introduction of pool covers at each centre. Structural roof surveys were also commissioned for the Solar PV as this was a requirement of the fund.
- 1.25 A total of £647,957 support was applied for as demonstrated in **Table One** below:

<b>Table One: Application to Phase Two of the Swimming Pool Support Fund</b>		
<b>Facility</b>	<b>Intervention</b>	<b>Amount</b>
Grantham Meres Leisure Centre	Solar PV	£399,000
	Pool Cover (Main and Learner)	£46,725
Bourne Leisure Centre	Solar PV	£63,300
	Pool Cover	£36,226

Stamford Leisure Pool	Solar PV	£69,300
	Pool Cover	£36,226
<b>Total</b>		<b>£647,957</b>

- 1.26 Further information in relation to the Swimming Pool Support Fund Phase Two is shown in **Exempt Appendix A**.
- 1.27 Following the launch of the Public Sector Decarbonisation Scheme Phase3c in Autumn 2023, Officers successfully submitted an application on 07 November 2023 with a total project value of £4,080,000 for Grantham Meres Leisure Centre. Only Grantham Meres Leisure Centre was included in the application as this centre was highlighted to benefit the most from the application and met the application criteria. If successful, this would require a match funding contribution from the Council of £492,500.
- 1.28 The proposed works are to remove the existing gas boilers from the main centre and Combined Heat and Power system, which has been identified as inefficient and operating at a net loss. These would be replaced with a bespoke air source heat pump system, powered by electricity extracting heat from outside of the building, delivering significant carbon savings for the Council.
- 1.29 Unfortunately the Council were notified on 08 March 2024 by Salix Finance that the application had been unsuccessful as it did not reach the requirement of the scheme in its technical assessment. Feedback has been provided and Council Officers are currently working through this. Alternative options for energy savings are going to be explored.
- 1.30 The Council has identified funding from it's Climate Reserve Fund to upgrade the lighting on the 3G pitch and in both the main and small sports halls at Grantham Meres Leisure Centre to LED. The 3G lighting upgrade is due to take place week commencing 18 March 2024. It is envisaged that the sports hall lighting upgrades will be undertaken in May 2024, due to materials and contractor availability.
- 1.31 Further information in relation to the Climate Reserve Fund is shown in **Exempt Appendix A**.

#### Bourne Leisure Centre

- 1.32 Fitness membership numbers have seen growth, with an increase of 5.9% compared to July 2023, when including both monthly direct debit and advanced payment members. Despite only being a small percentage growth, the centre now has the largest fitness membership base in the company.
- 1.33 The Swim School programme continues to perform well however has reduced in size by 2.3% increase in pupils compared to July 2023. This is primarily down to the occupancy sitting at 91% across the whole programme, reducing the ability to move

around between stages. However, in financial terms the centre is ahead on budget for the financial year.

- 1.34 A regular monthly Farmers Market continues to take place on the third Sunday of each month, hosted in the sports hall utilising previously empty space and attracts an average of 800 to 1,000 visitors per month, providing opportunities for local small businesses to come together. There are plans to expand this further in the summer months utilising outdoor space.
- 1.35 Large scale plant maintenance upgrades have been undertaken to include the upgrade of the boilers providing pool heating and domestic hot water services.

#### Grantham Meres Leisure Centre and South Kesteven Sports Stadium

- 1.36 The Table Tennis Centre (TTC) at Grantham Meres Leisure Centre has been used once more by the NHS between October and November 2023 to deliver the COVID-19 Autumn booster vaccinations. During this time, a total of 33,100 vaccinations were administered. Grantham Meres Leisure Centre received a hire fee for the use of the centre.
- 1.37 Following its use as a Covid 19 vaccination centre, the flooring in the TTC has deteriorated and required refurbishing to bring it back to a satisfactory standard. This has been funded by the NHS with the refurbishment of the TTC sports hall floor being completed in February 2024.
- 1.38 To compensate for the rising costs the company are experiencing particularly regarding utilities, the decision was reaffirmed by the Board of Directors that the Table Tennis Centre (TTC) should remain closed whilst all bookings can be accommodated in other parts of the centre. If this changes then LeisureSK and the Board will happily reconsider this and discussions for wider usage of the TTC are being explored.
- 1.39 LeisureSK Ltd have continued to host live performance events, securing the acts directly and utilising the Council's Arts Team to provide ticketing services. Events have included Forbidden Nights, Calling Planet Earth, Robots Live, Fastlove George Michael Tribute, Abba Forever, The Magic of Motown and Lost in Music. The number of tickets sold by the Council's Arts Team across the events was 2,624 however some of the performance companies also sold their own tickets and used alternative ticketing agencies too.
- 1.40 The centre has also continued to host large sporting events including Kickboxing and Mixed Martial Arts, Swim England County Championships and the annual Rotary Club of Grantham Swimarathon which has now raised over £1 million since it started in 1990.



- 1.41 Fitness membership numbers have seen a small growth, with an increase of 0.8% compared to July 2023, when including both monthly direct debit and advanced payment members.
- 1.42 The Swim School programme continues to perform well with a growth of 2% in pupils compared to July 2023.

#### Stamford Leisure Pool

- 1.43 The centre opening hours have been extended further. From October 2023, the facility is now open from 6am until 10pm Monday to Thursday, and 6am until 9pm Friday. This has allowed for extended public lane swimming sessions and increased availability to use the gym.
- 1.44 Fitness membership numbers have decreased by 2.7% in their membership base compared to July 2023, when including both monthly direct debit and advanced payment members. This is primarily because of the annual price increase in January 2024. To try and mitigate further cancellations a swim only membership has now been introduced.
- 1.45 The Swim School programme remains steady with a small growth of 1.9% in pupil numbers compared to July 2023. There continues to be challenges with the enrolment of new swimmers in the lower stages and following the appointment of a new marketing company for LeisureSK Ltd, the team are working with them to promote the learn to swim programme in the coming months. They also continue to face increased competition from the Stamford Endowed School 'learn to swim' programme which has been extended over the past year and have introduced a direct debit option from January 2024.
- 1.46 As a result of a boiler failure in January 2024 which resulted in a small closure of the swimming pool, a new burner unit has now been installed with no further issues encountered since.

#### **(D) Work of the Council's Leisure Team**

- 1.47 The Council's Leisure Team continue to be responsible for regular contract monitoring, the results of which are reported to the Board of Directors monthly to ensure the contract outcomes and the Council's objectives are being delivered.
- 1.48 As part of the regular contract monitoring regime, organised visits and spot checks are undertaken to ensure LeisureSK Ltd are providing a high-quality service which meets the Council's desired levels of cleanliness and presentation, and the leisure centres are offering a positive customer experience. Following the meetings, any actions necessary are recorded, monitored and signed-off once resolved.

- 1.49 Formal contract monitoring meetings, which include representatives of the senior management team at LeisureSK Ltd and Officers from the Council's Leisure and Property Teams, continue to take place quarterly. Outside of this, the Council's Team Leader for Leisure, Parks and Open Spaces meets with the LeisureSK Ltd Contract Manager on a monthly basis. Any areas of concern from the monitoring visits are raised as an emerging trend at the quarterly monitoring meeting for further discussion and resolution.
- 1.50 In January 2024 following the press releases in the media surrounding LeisureSK Ltd there was an increase in complaints relating to cleanliness, specifically at Grantham Meres Leisure Centre. Additional monitoring visits were undertaken by the Council's Leisure Team during this time and actions discussed with the Contract Manager for LeisureSK Ltd. It is worth noting that January 2024 was an exceptionally difficult time for LeisureSK staff, there were questions around the future of the centres, memberships, swim schools which was handled with professionalism and curtesy at a time of uncertainty, which the Board has formally expressed its thanks to the teams in the centres for.
- 1.51 **Table Two** below outlines the findings from the leisure monitoring visits and the items raised for rectification between the period of August 2023 and February 2024.

<b>Table Two: Findings from the leisure monitoring visits and the items raised for rectification between the period of August 2023 and February 2024</b>		
<b>Facility</b>	<b>Total Cleanliness Items</b>	<b>Total Maintenance and Repair Items</b>
	<b>August 2023 – February 2024</b>	<b>August 2023 – February 2024</b>
<b>Bourne Leisure Centre</b>	190	123
<b>Grantham Meres Leisure Centre</b>	719	396
<b>South Kesteven Sports Stadium</b>	341	254
<b>Stamford Leisure Pool</b>	294	116

## **(E) LeisureSK Ltd Performance Monitoring**

### Balanced Scorecard

- 1.52 The balanced scorecard covering the leisure centres for the period August 2023 to February 2024 can be found at **Appendix C**. This provides detailed information on the performance of the leisure centres which is utilised by the Board to assess the performance of the company and progress against the leisure contract Key Performance Indicators (KPIs).

## Sport England Moving Communities Community Survey

- 1.53 The annual Sport England Moving Communities Community Survey was last distributed to LeisureSK Ltd's customers in August 2023. The focus of the survey was to help Sport England understand perceptions about physical activity and active leisure in local communities, and to monitor the sector's performance, sustainability and social value contribution.
- 1.54 The survey is broken down into four areas which covers satisfaction, net promotor score (NPS), which is an index ranging from -100 to 100 which measures the willingness of customers to recommend a company's products or services to others, in-centre activity and cleanliness.
- 1.55 The results from the most recent survey are shown in **Table Three** below:

<b>Table Three: The results from the most recent Sport England Moving Communities Community survey</b>				
	<b>Bourne Leisure Centre</b>	<b>Grantham Meres Leisure Centre</b>	<b>Stamford Leisure Pool</b>	<b>LeisureSK Ltd – Contract Result</b>
<b>Responses Received</b>	107	114	76	297
<b>Satisfaction</b>	84.34%	80.53%	80.28%	81.86%
<b>NPS</b>	20.76	9.82	-4.29	10.41
<b>In-centre Activity</b>	75.79%	81.73%	79.66%	79.07%
<b>Cleanliness</b>	64.95%	59.14%	48.28%	58.87%

- 1.56 The results of the survey also demonstrated that in the previous 12-month period, LeisureSK Ltd generated a total of £5,718,714 of social value through the activities and services provided with an average social value of £98.76 generated by each person meeting the minimum threshold required to generate value (4 active visits a month at least once in a 12 month period).

## **(F) Leisure Centre Condition Surveys**

### Building condition surveys

- 1.57 The building condition surveys undertaken during 2022, continue to be reviewed by the Council's Leisure and Property Teams and the Board of Directors, with works being prioritised for completion based on the severity and risk identified. These works are taking place in addition to ongoing reactive maintenance works which are routinely identified and completed.

- 1.58 Following the previous report to this Committee, the following major works have been completed across all three centres, with the extent of works completed listed below:

**Bourne Leisure Centre:**

- Fire compartmentation survey
- Boiler replacement for pool heating and domestic hot water system
- Lift repair works
- Car park Aco Drain repairs
- Disabled changing hoist upgrade
- Sump pump replacement
- Heating pump replacement

**Stamford Leisure Pool:**

- Internal fire door replacement programme
- Fire detection upgrades in lower plant room
- Burner unit replacement on pool heating boiler
- Replacement pool chemical dosing controller

**South Kesteven Sports Stadium:**

- Intruder alarm system upgrade
- Internal LED lighting upgrades

**Grantham Meres Leisure Centre:**

- Replacement of valves in pool plant room
- Internal fire door replacement programme
- Intruder alarm system upgrade
- Flooring refurbishment in Table Tennis Centre following use by the NHS as a Covid-19 vaccination centre
- Pool chemical bulk storage tank upgrade and relocation
- Pool moveable floor remedial works – pulley wheels, underwater cables, hydraulic hoses

- 1.59 The Council's Property Team are currently in the process of finalising the specification and procuring the works to repair the roof at Bourne Leisure Centre.
- 1.60 Works have also been commissioned to repair and upgrade the wave machine control panel at Stamford Leisure Pool, to bring this much-loved feature of the pool back into working order.
- 1.61 Further works as a result of the condition surveys are currently being compiled by the Councils' Property Team and added to a maintenance plan for the upcoming financial year.

Mechanical and Electrical meetings

- 1.62 Bi-monthly Mechanical and Electrical (M&E) meetings continue to be undertaken between LeisureSK Ltd, Council Officers and Briggs and Forrester (the Council's maintenance contractor). The meetings aim to ensure maintenance issues are captured at an early stage, and any remedial works can be planned in to prevent operational issues.

## **(G) Quality Assurance**

### Annual Quest Audits

- 1.63 In February 2024 Stamford Leisure Pool had their annual Quest audit which was conducted by independent consultants Right Directions Ltd. Quest is Sport England's Continuous Improvement Tool for leisure facilities and is designed to measure how effective organisations are at providing customer service.
- 1.64 Established for over 20 years Quest, in addition to being supported by Sport England, has the support of wider organisations including CIMSPA (The Chartered Institute for the Management of Sport and Physical Activity), UKActive (a not-for-profit industry association promoting the interests of commercial fitness gyms and community leisure centres) and the Chief Leisure Officers' Association (CLOA).
- 1.65 As part of the Quest assessment, the centre received a mystery visit and a one day on site assessment. There were six core modules assessed which included: compliance declaration, operational management, environmental management, managing the team, the customer journey and tackling inequalities. Following the overall assessment, leisure centres are given a banding of either: Unsatisfactory, Satisfactory, Good, Very Good or Excellent.
- 1.66 **The centre achieved a Good banding as a result of the Quest audit.** Any areas for improvement have been captured in a Quest Improvement Plan, with progress being monitored by the Board of Directors.
- 1.67 The annual Quest audit for Grantham Meres Leisure Centre and Bourne Leisure Centre is due to take place in the next financial year. An update on the outcome of the audits will be provided in the next six monthly update to this Committee.

### Annual Health and Safety Audits

- 1.68 In November 2023 LeisureSK Ltd had their annual Health and Safety audits which were conducted by independent consultants Right Directions Ltd. All compliance issues were reviewed across each centre and the results of the audits are shown below in **Table Four**. Overall LeisureSK Ltd demonstrated an improvement compared to the previous year's rounds of audits.

<b>Table Four: The results from the annual health and safety audits</b>				
<b>Centre</b>	<b>2021 score</b>	<b>2022 score</b>	<b>2023 score</b>	<b>Improvement</b>
Bourne	63%	85%	85%	N/A
Grantham	67%	71%	79%	8%
Stamford	65%	81%	85%	4%
<i>Average</i>	<i>65%</i>	<i>79%</i>	<i>83%</i>	<i>4%</i>

## **2. Key Considerations**

- 2.1 This report seeks to provide Members with key information on the performance of LeisureSK Ltd and to demonstrate the commitment of the Board of LeisureSK Ltd to ensure the company achieves its operational and performance objectives.

## **3. Other Options Considered**

- 3.1 The Culture and Leisure Overview and Scrutiny Committee have previously agreed to receive six-monthly updates on performance. Therefore the 'do nothing' option has been discounted.

## **4. Reasons for the Recommendations**

- 4.1 The Council has a duty to ensure the leisure contract provides value for money and delivers its corporate objectives. The information detailed within the report provides Members with an opportunity to assess the performance of LeisureSK Ltd and to suggest enhancements to the level of information provided for inclusion in the next six-monthly update.

## **5. Background papers**

- 5.1 *LeisureSK Ltd Performance Report September 2023* - Report to Culture and Leisure Overview and Scrutiny Committee, published 25 August 2023, available online at:  
<https://moderngov.southkesteven.gov.uk/documents/s38853/LeisureSK%20Performance%20Report.pdf>
- 5.2 *Swimming Pool Support Fund (Phase One – Revenue)* – Report to Cabinet, published 30 October 2023, available online at:  
<https://moderngov.southkesteven.gov.uk/documents/s39436/SPSF.pdf>
- 5.3 *LeisureSK Ltd Management Fee 2024/2025* – Report to Culture and Leisure Overview and Scrutiny Committee, published 22 November 2023, available online at:

<https://moderngov.southkesteven.gov.uk/documents/s39725/LeisureSK%20Ltd%20Management%20Fee%20Request%202024%202025%20Report.pdf>

- 5.4 *LeisureSK Ltd Management Fee and Business Plan 2024/2025* – Report to Culture and Leisure Overview and Scrutiny Committee, published 29 December 2023, available online at:  
<https://moderngov.southkesteven.gov.uk/documents/s40148/LeisureSK%20Ltd%20Management%20Fee%20Request%20Business%20Plan.pdf>
- 5.5 *LeisureSK Ltd Urgent Funding Request* – Report to Cabinet, published 10 January 2024, available online at:  
<https://moderngov.southkesteven.gov.uk/documents/s40331/Leisure%20SK%20Ltd%20Funding%20Request.pdf>

## **6. Appendices**

- 6.1 **Exempt Appendix A:** Summary of exempt information.
- 6.2 **Exempt Appendix B:** January 2024 Budget Monitoring Statement
- 6.3 **Appendix C:** Balanced Scorecard August 2023 to February 2024