



Wednesday, 18 June 2025

Report of Councillor Paul Stokes,
Deputy Leader of the Council and
Cabinet Member for Culture and
Leisure

Appointment of a Non-Executive Director for LeisureSK Ltd

Report Author

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Purpose of Report

To consider the appointment of a Non-Executive Director and Chairman for LeisureSK Ltd.

Recommendations

The Committee is recommended to:

1. Approve the appointment of Mr David Rushton as a Non-Executive Director for LeisureSK Ltd for a fixed term period of five years from 1 July 2025.
2. Approve the appointment of Mr David Rushton as the Chairman of LeisureSK Ltd.

Decision Information

Does the report contain any exempt or confidential information not for publication?

Exempt Appendix One is not for publication by virtue of paragraph 1 of Part 1 of Schedule 12A of the Local Government Act – Personal information

What are the relevant corporate priorities?

Connecting communities
Effective council

Which wards are impacted?

All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 This report contains a proposal to appoint a Non-Executive Director at a remuneration of £15,000 per annum. The appointment is being made in advance of the contract for the current Non-Executive coming to an end to allow for a handover period.
- 1.2 Whilst this represents good practice in terms of business continuity, this will result in an additional £7,500 of expenditure for the company in the current financial year. Under the current agency model the Council receives the leisure generated income generated less the expenditure incurred.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.3 The LeisureSK Ltd Articles of Association provide that the Council is responsible for appointing Directors to the Board. Furthermore, the Articles state that it is the Council's role to nominate a Chairman and to determine the length of office in this regard.
- 1.4 The addition of a Non-Executive Director with significant leisure experience will provide added resilience to the Board and represents good governance.
- 1.5 Should the appointment be approved the Board for LeisureSK Ltd would consist of three Directors and two Non-Executive Directors until the end of December 2025 when the fixed term contract for the existing Non-Executive Director is due to end.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1. LeisureSK Ltd was established in as a company in 2019 to manage the Council's leisure facilities under a contract arrangement. The company is wholly owned by the Council.
- 2.2. The Council and LeisureSK Ltd entered a new 10-year contract arrangement on 1 April 2025. The contract is based upon agency principles.

- 2.3. The Board of LeisureSK Ltd currently comprises Councillor Patsy Ellis, Councillor Philip Knowles, Mr David Scott (Assistant Director of Finance and Deputy Section 151 Officer) and Mr David Monkhouse (Non-Executive Director).
- 2.4. Mr David Monkhouse was appointed on a five-year fixed term contract which is due to expire at the end of December 2025. His current remuneration for this post is £15,000 per annum.

3. Key Considerations

- 3.1. It is considered timely to appoint a Non-Executive Director to allow a sufficient handover period before the contract ends for the current Non-Executive Director. The Council has received an application from Mr David Rushton who has considerable experience across the leisure sector at a senior level. This includes managing local authority sport and physical activity services, leisure procurements, leisure contract operations, business planning and business development, and performance management.
- 3.2. In addition to Mr Rushton's significant experience across the leisure industry he was employed for ten years by the Audit Commission specialising in the leisure sector. He has a detailed knowledge of LeisureSK Ltd as he supported the Council when the company was established following a leisure options review. More recently Mr Rushton supported the Council in an in-depth analysis of the performance of LeisureSK Ltd.
- 3.3. Mr Rushton's Curriculum Vitae is attached at **Exempt Appendix One**. His career highlights include:

3-years - The Active Communities Consultancy:

- Sole trader sport and physical activity consultant working with public sector clients
- Delivering consultancy projects on behalf of local authority clients including procurement, feasibility and sport and physical activity strategies.

10-years - The Sport, Leisure & Culture Consultancy:

- Sport and physical activity consultant working with public sector clients
- Delivering consultancy projects on behalf of local authorities including procurement, feasibility and sports and physical activity strategies. This included projects on behalf of South Kesteven District Council including leisure management options appraisals and LeisureSK Ltd mobilisation plan.

1-year - Sports & Leisure Management (Everyone Active):

- Working for a large leisure management contractor which currently manages and leases 140 plus leisure centres on behalf 24 local authority clients
- Project management of bids for local authority leisure contracts.

10-years - The Audit Commission:

- Leading on over 50 leisure and culture service inspections
- Leisure facility and procurement consultancy work
- Comprehensive Performance Assessment inspector.

10-years - Circa Leisure and Leisure Connection (now part of Parkwood Leisure):

- Responsible for developing and implementing the company's groundbreaking SwimSchool brand in across 50 local authority leisure sites
- Part of mobilisation team for the new Grantham Meres Leisure Centre in 1998.

- 3.4. It is proposed that Mr Rushton be appointed as a Non-Executive Director for LeisureSK Ltd on a fixed term contract for five years. The remuneration for this post would be £15,000 per annum.
- 3.5. The Articles of Association also provide that the Council is responsible for appointing a Chairman for LeisureSK Ltd. Following the resignation of Ms Debbie Roberts this position is currently vacant.
- 3.6. In recognition of Mr Rushton's extensive leisure experience, it is recommended that Mr Rushton is also appointed in the position of Chairman.
- 3.7. Should this recommendation be approved, it is proposed that the Board of LeisureSK Ltd will conduct a skills audit. This will identify the key skills, experience and knowledge of each Board member and whether there are any gaps.

4. Other Options Considered

- 4.1. The Council has the option not to make the requested appointment. However, this will not provide resilience to the Board of LeisureSK Ltd.

5. Reasons for the Recommendations

- 5.1. The requested appointments will provide LeisureSK Ltd with additional resilience and leisure specific knowledge.

6. Appendices

6.1. **Exempt Appendix One – Mr David Rushton Curriculum Vitae.**