

<b>Report</b>	Draft Q1 2024/25 Report	<b>Author</b>	P-Ltd
<b>For</b>	SHAREHOLDER CABINET COMMITTEE – 9th SEPTEMBER 2024	<b>Date</b>	09/09/2024

## 1. Premise

To keep the Shareholder Cabinet Committee update, and to ensure the committee has information with which to oversee and guide the company, it is requested that P-Ltd be allowed to report quarterly to the committee on its performance. In this report and its appendix is a summary of data which the committee may wish to have reported. Feedback from the committee will be used to shape future reports.

## 2. Financial Performance

Draft quarter one company financial performance (up to end of June 2024) can be seen below. The company was forecast to make a small notional loss of £8K in Q1, however, made notional profit of £74K. July 2024 performance was also slightly up on forecast.

	Budget £000	Q1 Actual £000	Variance £000
<b><u>Revenues</u></b>			
PCC Fixed	£ 3,023	£ 2,951	-(£ 71)
Variable & Commercial	£ 4,596	£ 4,413	-(£ 183)
<b>Total Revenue</b>	<b>£ 7,619</b>	<b>£ 7,364</b>	<b>-(£ 255)</b>
<b><u>Direct Costs</u></b>			
Materials	£ 331	£ 330	£ 2
Vehicles & Plant	£ 459	£ 512	-(£ 52)
Subcontractors	£ 1,521	£ 1,399	£ 122
Labour	£ 3,877	£ 3,544	£ 333
Temporary Staff	£ 140	£ 231	-(£ 91)
<b>Total Direct Costs</b>	<b>£ 6,329</b>	<b>£ 6,016</b>	<b>£ 313</b>
<b><u>Non-Direct Costs</u></b>			
Staff Related	£ 73	£ 50	£ 23
Other Non-Direct costs	£ 1,197	£ 1,186	£ 11
<b>Total Non-Direct Costs</b>	<b>£ 1,270</b>	<b>£ 1,236</b>	<b>£ 34</b>
<b>Total Cost</b>	<b>£ 7,600</b>	<b>£ 7,252</b>	<b>£ 348</b>
<b>Profit (Loss) pre Interest &amp; Tax</b>	<b>£ 20</b>	<b>£ 112</b>	<b>£ 93</b>
Depreciation	£ 3	£ 3	£ 0
Interest & Tax	£ 25	£ 36	-(£ 11)
<b>NET PROFIT (LOSS)</b>	<b>-(£ 8)</b>	<b>£ 74</b>	<b>£ 82</b>

Revenues are 2% lower than budgeted (budget set September 2023), this is in part due to service reduction requests by PCC after the budget had been set. Costs have also been reduced to facilitate this services changes.

Revenue losses from the closure of Regional

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Fitness and Swimming Centre (RFSC), along with the Swim Academy and School swimming programme, are putting pressure on the PCC leisure budget. This is in part mitigated by Vivacity Premier Fitness (VPF), since its refurbishment in December 2023. The site has broken its monthly sales records (when compared monthly to previous years) each month between January 2024 and June 2024.

The poor easter weather caused a slow start to the year at Flag Fen, but additional education projects, including working in Partnership with City College are programmed in to help increase income, as well as provide skills training, and enhance the site.

### 3. Service Performance

Quarter one division performance dashboards can be seen in appendix E1. These are drafts, and show what could be provided quarterly to the Shareholder Cabinet Committee. Feedback and requests based on the draft provided would be welcome so the committee can see the data which it would aid its oversight of the company.

#### Culture:

- Overarching Performance is classed as **Amber and Improving**, based on visitor numbers, financial performance to income budget and improvement since service transfer.
- Culture sites had over 71,000 visitors in Q1
- Ongoing work with Heritage England has secure, some small grant fundings, but feedback has been given that governance (Contract stability) will be need for large grand applications.

#### Environment

- Overarching Performance is classed as **Green and Static**, based on contract KPI's, service performance and safety.
- Delivery issue in recycling and waste (linked back to a IT system issue), have now been fully resolved.
- Increased flytipping numbers and reduced specifications in 2022, has put pressure on the clearance teams who have been out of timescale 2% of the time.

#### Leisure:

- Overarching Performance is classed as **Green and Static**, this is significantly driven by Membership levels and site usages.
- Class's are in Amber due to Members booking and not attending. The new version of our Leisure system which we are working to upgrade to in the Autunm, will automate a resolution to this.
- H&S reporting of near miss is a continuing challenge, improvements are being made but they are behind other parts of the business.

### 4. Risks and Challenges for next three months

- **Pay Award:** Initial negotiations on pay award have been slow, as P-Ltd do not have the available budget to meet Union expectations, or to match NJC employers offer, where Unions have moved to ballot for industrial action, following a rejection of the NJC offer.
- **Saving Targets:** The saving targets placed against P-Ltd are challenging, but a review is currently underway.
- **Staff recruitment:** Although staff recruitment is much improved in the last 12 months, the employment market for qualified staff is still challenging. Continued focus and promotion on positive aspects of being employed with P-  
Ltd.

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Monitoring of the regional and national situation especially relating to wages and cost of living.  
Ongoing reviews for self-service options and reduced labour options.

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