

Securing long - term financial savings and service improvement through transformation of leisure and cultural services for Redditch Borough Council.

The challenge

V4 Services (V4S) was appointed by Redditch Borough Council in 2017 to support the council in the development of options through which it could transform and secure the delivery of its Leisure and Cultural Services. Within the scope of the project was a large sports and leisure centre and stadium, a golf course, theatre, parks, community centres and a heritage site to include a needle museum. Against a backdrop of annual budget reductions, the council recognised that it was only through a more substantial service transformation that it could secure the long-term viability of its leisure and cultural services for the residents and visitors to the Borough.

In the short-term annual savings of a minimum of £0.5m were allocated to the service which already relied upon a £1m net subsidy per annum and had delivered significant savings over the preceding 5 years.

10 year

financial projection

Short-term annual savings of

£0.5m

The solution

V4S acted as advisor to the council on all financial, services and commercial matters across three distinct phases of activity:

Phase One - Optioneering

Detailed analysis of the council's current leisure and cultural services, peer group and national benchmarking of performance and detailed financial modelling enabled the council to make highly informed assessments of the different service delivery models prevalent in the market. Specifically, V4S used our own comparative model which assesses the different options against identified and agreed criteria.

This process identified the preferred approach for the council was to set up a Local Authority Trading Company (LATC) to hold and manage its leisure and cultural assets.

Phase Two - Development of business case

Development of a detailed business case and a 10 year financial projection for the new wholly owned company. The business case was developed in collaboration with council officers and covered the full range of arrangements necessary to allow council officers and elected members to fully understand all of the matters arising through the establishment of the new company.

Phase Three - Implementation and mobilisation support

V4S provided expert advice and support around the many different implementation and mobilisation activities including establishment of the company and appropriate governance, approach to staffing and TUPE, initial working capital investment from the council and how to develop 'arm's length' access to council services through a range of service level agreements.



Local knowledge,
business expertise and insight

The outcomes

The council successfully established Rubicon Leisure in December 2018, a company wholly owned by the council. It then transferred to the company the assets, around 55 staff and the necessary financial support to provide the best opportunity for it to flourish.

Launched with an ambitious 10 year financial plan, it included provision for significant investment in the early years to improve and extend its services that was seen as key to growing income.

Arm's length support services provided on the same basis for an initial 12 months with an option to extend all/part or seek alternative services in the market.

Working outside the council but with clear oversight allowed Rubicon Leisure to operate more commercially and at a pace more relevant to a changing and dynamic marketplace.

The business case and associated financial planning positioned leisure & cultural services to meet its contribution the medium-term financial plan saving of around £0.5m in the next financial year.

Get in touch

We'd love to talk to you about your project

Call: 0161 537 8200

Email: contactus@v4services.com

Web: v4services.com

Key successes

- Extensive member engagement, effectively facilitated by V4S team .
- Detailed and objective options analysis.
- Very effective knowledge sharing and transfer.
- Very accessible consultants.
- Quickly established trust and confidence amongst the project team.
- Advice was consistent, clear and tailored to very specific needs.

Successfully established
Rubicon Leisure
in December 2018

Financial plan saving of
£0.5m

