

Report to: **South Hams Overview and Scrutiny Committee**

Date: **21st July 2022**

Title: **Leisure Contract - Fusion Quarterly Update**

Portfolio Area: **Health & Wellbeing – Cllr Jonathan Hawkins**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: Immediately

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Recommendations:

1 That the Overview and Scrutiny Committee note the contents and progress of Fusion’s Quarterly Report for 2022.

1 Executive summary

1.1 This report provides an update on current performance and the presentation summary for the past 3 months shown in Appendix A. This follows the annual report by Fusion at the April meeting.

2 Background

2.1 The leisure sector is still facing difficult times following the recovery from Covid-19 in the operations of leisure centres. The energy crisis and the cost of living challenges has resulted in costs increasing and customers re-evaluating their memberships and usage levels, impacting on income levels for leisure operators.

2.2 The provision of leisure centres is a discretionary service. However the activities align with the Council’s corporate strategic plan – ‘Better Lives for All’ in providing quality services and community wellbeing. This includes increasing active participation in sport and leisure activities.

3 Outcomes/outputs

3.1 The leisure contract sets out specific performance indicators which Fusion will deliver through its plans and targets, these include being a more active district, promoting community development, improving health and wellbeing of local residents, improving quality of services and delivering environmental improvements.

- 3.2 The attached quarterly presentation from Fusion highlights key performance areas and provides a look at key projects for the coming months ahead in regards to solar energy, the development of Totnes Leisure Centre as well as new membership options, health wellbeing and outreach work.
- 3.3 Overall leisure centre memberships in July '22 are at 80% compared to pre-Covid levels, 5,465 against 6,764 in March'20;

Total	March 2020	July 2022	%
Dartmouth	560	450	80%
Ivybridge	1,665	1,277	77%
Quayside (Kingsbridge)	1,523	1,263	83%
Totnes	1,117	780	70%
Meadowlands (Tavistock)	1,075	1,069	99%
Parklands (Okehampton)	824	626	76%
Total	6,764	5,465	80%

Swim school has been in very high demand and overall memberships have nearly reached pre-Covid levels, being at 97% compared to March '20.

- 3.4 The latest national data on trends since leisure centres re-opened last year is taken from Sport England – Moving Communities; April '21 – January '22. Overall recovery in participation has been steady since Covid-19 restrictions were lifted but they have not returned to pre-pandemic levels. The national average being 71%. As well recovery has been slower in more rural areas, older facilities as well as major urban locations.

4 Proposed Way Forward

- 4.1 A further update report will be provided at the September meeting, to include progress on the Sports, Community and Development Plan.

5 Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Leisure is a discretionary service. The management of the council's leisure centres are agreed in a formal contract agreement with appropriate reporting structures.

Financial	Y	The investment borrowing and contract arrangements were approved as part of the contract award. Recent management fee changes were reported at Executive on 3 rd March 2022 E.94/21 and approved by Council on 31 st March 2022. Management fee payments have been received from Fusion for the 2021/22 financial year. For 2022/23 management fee payments, these have been confirmed with Fusion and monthly payments will be made from October '22 to March '23. All management fee payments are set out with the appropriate indexation applied.
Risk	Y	Mitigated through the formal procurement process and the business case appraisal.
Supporting Corporate Strategy	Y	Council, Communities, Wellbeing
Climate Change – Carbon / Biodiversity Impact	Y	Contract targets to reduce energy usage
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	All leisure centres remain open and have activities open for all sections of the community
Safeguarding	Y	Relevant policies and practices in place through the contract.
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	Y	Improved through better facilities and part of service delivery.
Other implications		none

Supporting Information

Appendix A – Fusion Quarterly Report, July 2022

Appendix B – SHWD Leisure Centre Catchment Areas – Heat Mapping

Appendix C – SHWD Health Tips Poster