

Report to: **Overview and Scrutiny Committee**

Date: **21<sup>st</sup> March 2023**

Title: **Leisure Contract - Fusion Annual Report 2022**

Portfolio Area: **Health & Wellbeing – Cllr Tony Leech**

Wards Affected: **All**

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

Date next steps can be taken: Immediately

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**Recommendations:**

**That the Overview and Scrutiny Committee note the contents and progress of Fusion’s Annual Report for 2022 and proposals for 2023.**

**1 Executive summary**

- 1.1 This report and presentation provides a review of Fusion’s performance last year in 2022 and an update on current provision and proposals for the year ahead.
- 1.2 2022 was Year 6 of the Council’s 25 year contract with Fusion Lifestyle as the joint leisure management operator for both South Hams and West Devon.
- 1.3 The provision of leisure centres is a discretionary service. However the activities align with the Council’s corporate strategic plan – ‘A Plan for West Devon’ in providing quality services and community wellbeing. This includes increasing active participation in sport and leisure activities.
- 1.4 Leisure Centres are seen as essential community health hubs, contributing to improving people’s health and wellbeing. Centres are more than a lifestyle choice, providing vital services across health – being active, learning to swim, social and mental wellbeing benefits, stronger and safer communities and economic opportunities through jobs.

**2 Background**

- 2.1 Nationally the leisure sector and its operators are facing an extraordinary financial crisis due to the ongoing impacts from Covid-19, the cost of living and the energy crisis. These same

factors were reported last year by Fusion and these pressures have progressively increased during 2022 and continue to do so during this year.

- 2.2 Currently the leisure sector is lobbying the Government, led by the LGA and Sport England, for leisure centres not to be excluded from the energy extra support scheme from April. Energy bills have increased by 300% for some operators over recent years. Some centres have closed and others are reducing their services. See link for further details; <https://www.local.gov.uk/topics/culture-tourism-leisure-and-sport/urgent-support-public-sport-and-leisure-services/letter>
- 2.3 The plight of swimming pools was highlighted as part of a Big Swim Day on 24<sup>th</sup> February which all our centres took part in to encourage people to visit their local pool and show their support to help keep pools open.

### 3 Outcomes/outputs

- 3.1 The leisure contract sets out specific performance indicators which Fusion are delivering 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 annual presentation from Fusion highlights key performance areas and provides an overview on increased monthly usage, Quest accreditations, improved customer satisfaction, key maintenance areas undertaken, OCRA activities and workforce opportunities.
- 3.3 Overall leisure centre memberships at January 2023 had reached 92% compared to 3 years ago, 6,184 against 6,702 in January 2020;

Total	January 2020	January 2023	%
<b>Meadowlands (Tavistock)</b>	<b>1,056</b>	<b>1,105</b>	<b>105%</b>
<b>Parklands (Okehampton)</b>	<b>853</b>	<b>675</b>	<b>79%</b>
Dartmouth	568	651	115%
Ivybridge	1,606	1,468	91%
Quayside (Kingsbridge)	1,478	1,397	94%
Totnes	1,141	888	78%
<b>Total</b>	<b>6,702</b>	<b>6,184</b>	<b>92%</b>

Swim school demand and usage is going very well overall memberships have just passed 2020 levels, being at 2,971.

Total	January 2020	January 2023	%
<b>Meadowlands (Tavistock)</b>	<b>519</b>	<b>458</b>	<b>88%</b>
<b>Parklands (Okehampton)</b>	<b>286</b>	<b>355</b>	<b>124%</b>
Dartmouth	162	121	75%
Ivybridge	820	957	117%
Quayside (Kingsbridge)	778	670	86%
Totnes	402	410	102%
<b>Total</b>	<b>2,967</b>	<b>2,971</b>	<b>101%</b>

3.4 Overall usage recovery during the past 3 years with the impacts of Covid and more recently the cost of living and energy crisis, has been good. A positive start has been made in 2023 with new activity programmes and increases in outreach community sessions taking place.

#### 4 Proposed Way Forward

- 4.1 Fusion has now appointed a contractor to deliver the solar energy project across South Hams and West Devon for all the leisure centres. The contractor has undertaken site visits and surveys at both Meadowlands and Parklands. The draft timescale is for the installation to take place later this spring/summer.
- 4.2 Fusion has also been supporting the Council in its Public Sector Low Carbon Skills Fund project, enabling site heat decarbonisation plans to be developed. This includes the use of solar energy for electricity usage.
- 4.3 The cafes in the centres are to be re-opened, starting with Meadowlands then moving onto Parklands. As well the Exercise Referral Scheme will be re-launched in Meadowlands now qualified instructors are in place.

#### 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. Management fee changes were reported and approved at Hub on 1 <sup>st</sup> Feb 2022 and Full Council on 15 <sup>th</sup> Feb 2022. 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 Annual Report 2022