

Urgent Decision – Support for Leisure Provider

Executive Portfolio Holder:	Councillor Mike Best, Health & Well-Being
Ward Member(s)	All
Strategic Director:	Kirsty Larkins, Director - Strategy and Commissioning
Service Manager:	Lynda Pincombe, Specialist - Strategic Planning
Lead Officer:	Jo Nacey – S151 Officer
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1. Purpose of the Report

The purpose of this report is to notify Members of an urgent executive decision made by the Chief Executive in consultation with the Council Leader and Portfolio Holder for Health & Well-Being and the Section 151 Officer, to offer a letter of support with agreement in principle to provide funding to mitigate the losses incurred by LED Leisure Management Ltd due to the Covid-19 restrictions.

2. Forward Plan

This report did not appear on the District Executive Forward Plan as the need for a letter of support was not anticipated prior to the approach from LED Leisure Ltd, (LED).

3. Public Interest

This report outlines the position of the leisure provider and the Council's need to offer funding to enable the facilities to re-open.

4. Recommendations

That District Executive note the urgent executive decision made by the Chief Executive in consultation with the Council Leader and Portfolio Holder for Health & Well-Being to provide a letter of support to our Leisure providers, LED with an agreement in principle to provide adequate funding. Any further requests of funds to be taken through the formal democratic route.

5. Background

Following the requirement to close all sites, LED wrote to SSDC on 29th May to present their initial revenue projections for the remainder of the current financial year based on all wet and dry facilities re-opening in the first week of July 2020. The re-opening rules were subsequently revised by Central Government.

LED presented projections based on 40%, 60% and 80% of expected revenue performance. LED like many leisure providers suffered significant loss of income due



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to closure of the facilities, it would not be viable for them to re-open without funding from SSDC. LED Leisure indicated that they would need a decision from SSDC on this by mid July 2020.

6. Re-opening Options Considered

Following dialogue, LED Leisure modelled the following scenarios:

- All three facilities fully opening at the beginning of July 2020 (subsequently found to not be possible).
- A phased re-opening of facilities at all sites, with gym and health and fitness re-opening in July and pools at Wincanton and Goldenstones opening in September.
- Phased opening of health and fitness at Westlands Sport and Fitness Centre and Wincanton, with Goldenstones not re-opening at all until September (on the basis that Westlands would be able to accommodate much of the gym and fitness provision for Yeovil).

The financial implications for each scenario is set out in Confidential Appendix A, Section 1

The LED proposals were based on key principles which are included in Section 2 of the Appendix.

7. Financial Implications

The Council have given this agreement in principle under the following terms as set out in the letter of support to LED Leisure Management Ltd, "On the understanding that all dry side facilities will re-open from 25th July 2020 and all facilities (including both pools) from the beginning of September 2020, we confirm that South Somerset District Council (SSDC) will support LED with initial funding. This is offered on the basis that LED Leisure Management agree continued cost mitigations and an "open book" monthly review meeting SSDC to discuss progress to date and any further funding requirements".

This urgent decision was taken due to LED's need to satisfy its auditors and in order to plan re-opening.

We are hoping to secure funding from Central Government to mitigate this pressure and recognise the importance of re-opening leisure sites and swimming pools. We do not, as yet, have details of the plans MHCLG have to support councils with in-house and externally provided leisure provision. In the meantime, we are comfortable that we can fund this pressure from our General Reserves.

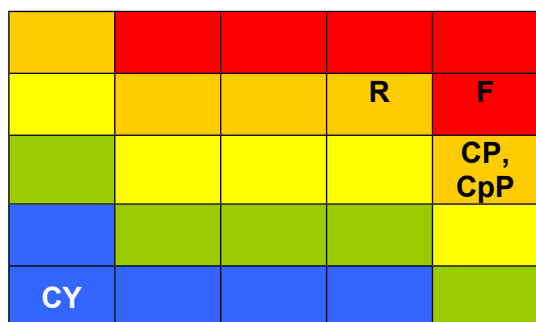
8. Risk Matrix

The risk matrix shows risk relating to the Corporate Plan headings.



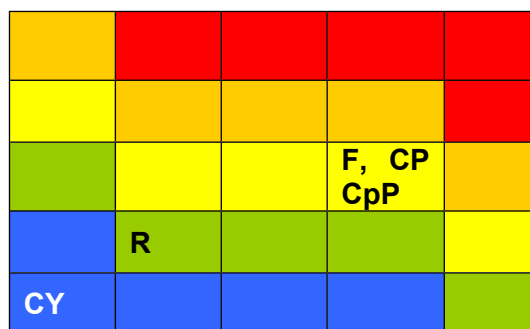
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Risk Profile before officer recommendations



Likelihood
→

Risk Profile after officer recommendations



Likelihood
→

Key

Categories	Colours (for further detail please refer to Risk management strategy)
R - Reputation	High impact and high probability
CpP - Corporate Plan Priorities	Major impact and major probability
CP - Community Priorities	Moderate impact and moderate probability
CY - Capacity	Minor impact and minor probability
F - Financial	Insignificant impact and insignificant probability

9. Council Plan Implications

The recommendation put forward in this report will help deliver the Council's core values of:

- Working collaboratively - Working with partners to enhance outcomes for our communities
- Work with partners to support people in improving their own physical and mental health and wellbeing
- Enable quality cultural, leisure and sport activities

10. Carbon Emissions and Climate Change Implications

There are no Carbon Emissions and Climate Change implications from this report.

11. Equality and Diversity Implications

There are no equality and diversity implications from this report.

12. Privacy Impact Assessment

There is no personal information included in this report.