

£100 million for public leisure

Purpose of report

For discussion.

Summary

On 22nd October 2020, [Government announced details of a further £1 billion funding](#) round for councils over winter. This included the announcement of £100 million ringfenced for council leisure centres most in need.

Kevin Mills, Director of Capital Investment at Sport England, and James Wurr, Head of Sports Participation at DCMS, are attending the Board to discuss the purpose of the fund and outline the application process.

Recommendation:

That the Board note the report.

Actions

Officers will work with Sport England and DCMS to maximise the impact of the funding and lobby for additional resources to stabilise the public leisure sector.

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Background

1. Public leisure centres have been hard hit by the pandemic. Losing income during the lockdown periods, coupled with high ongoing costs, and a limited ability to access Government support outside of the Job Retention Scheme, has left public leisure provision in an unstable position.
2. The [LGA has undertaken extensive lobbying](#) on the subject, in partnership with other sector bodies, including UK Active and Community Leisure UK, and mobilising member councils to write to their MPs, the Minister for Sport, and the Prime Minister. We have also provided immediate support and advice to members as they seek to support their providers.
3. Sport England, DCMS and MHCLG have been instrumental in securing Treasury approval for this funding. As part of that work, Grant Thornton were commissioned to conduct a 'state of the market' analysis, which identified a funding need of between £700 million to £1 billion in terms of lost funding.

The fund

4. Full details of the fund are yet to be announced, and our speakers will be able to provide more information on current thinking. However, the following details are in the public domain:
 - 4.1. The fund will support those councils with outsourced leisure provision, whether to a private provider or a community trust. It will not be available to those with in-house services, who are able to instead access the government's lost income match fund. It is estimated that about 250 councils will be eligible to apply for the new funding.
 - 4.2. The fund is to support the reopening of leisure facilities, rather than to cover previous financial losses.
 - 4.3. It will be a bidding process. However, the bidding process is being used to refine financial understanding and strengthen the business case for further funding, rather than to force councils into competition with each other.
 - 4.4. It is expected that the fund will open in December, with all funds disbursed before end of March 2021, if not earlier. However, this is subject to final Treasury clearance of the proposed delivery mechanism.
5. Sport England has run two roundtables for councils and directors of finance to test the approach, which the LGA attended, and a separate walkthrough of the application process to allow the LGA and District Councils Network to comment on the approach. Further testing of a refined process has since been undertaken with selected councils.

Points to consider

6. The Board may wish to explore the following points with the speakers:
 - 6.1. Expected timescales for the application process and distributing the money
 - 6.2. The types of costs that the funding will cover
 - 6.3. What is being done to make the case for additional funding, and any support that the LGA can provide to help with the case
 - 6.4. Whether the revealed weaknesses in the market will be addressed in the forthcoming Sport England strategy or in DCMS' long term plans for public leisure.

Implications for Wales

7. This fund is England only.

Financial Implications

8. None.

Next steps

9. The LGA will help communicate the fund and application process to councils.
10. We will continue to lobby for further funding to be made available for this service.