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Chancellor of the Exchequer
HM Treasury
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London
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Rt Hon Michael Gove
Secretary of State for Levelling up,
housing and communities (DLUHC)
2 Marsham Street
London
SW1P 4DF

Cc Secretary of State for Health and Social Care

Cc Secretary of State for Digital, Culture, Media and Sport

23 January 2023

Dear Chancellor and Secretary of State,

Urgent support for public sport and leisure through crisis and transformation

We write as the lead organisations representing local authorities in England. Our members are responsible for the country's public sport and leisure infrastructure, which is facing an extraordinary financial crisis due to the ongoing impacts from COVID-19, the cost of living and the energy crisis. In light of these pressures, we have significant concerns about the decision to exclude swimming pools and leisure centres from the list of sectors eligible for extra support under the [Energy and Trade Intensive Industries scheme](#) and the [Energy Bills Discount Scheme](#).

Since 2019, evidence from our leisure providers shows energy bills have risen by 300 per cent. During the pandemic councils across the country invested £159 million to keep facilities afloat, alongside £144 million of provider reserves, and in addition to the Government's welcome £100 million national leisure recovery fund. This money now risks being wasted if we allow these facilities to close. At the close of this letter we set out three clear actions Government can take.

This is not a call for a hand-out. Councils and their partners have been working together to transform facilities into assets fit to meet the challenges of the future, whether co-locating with GP surgeries to create wellness hubs, retrofitting with solar panels and heat pumps, or energy-efficient newbuilds that boost participation and cost less to run. Many Levelling Up Fund bids from councils are aimed at continuing this transformation and Government has chosen to invest in many of these bids. But if council-run and commissioned facilities, including Trusts and Community Interest Companies (CiCs), close because of unaffordable running costs, these transformations will not happen and a core plank of the levelling up approach will fail. (See annex for case studies)

Without further Government support a November survey by Ukactive showed that 40 per cent of council areas will likely see leisure centres close or services reduce before 31 March 2023. Three quarters (74 per cent) of council areas are classified as 'unsecure', meaning there is risk of closure or reduced services before 31 March 2024. Many provider contracts also have legally binding schedules that transfer the risk of energy price increases to their

local authority meaning pressures will likely come to a head at the end of this financial year, affecting council budgets for 2023/24.

Facility closures will undermine the Government's commitment to support vulnerable communities, protect vital public services, tackle inequalities and grow the economy.

Leisure centres and swimming pools are more than a lifestyle choice, they are a vital service because:

- They provide affordable opportunities for communities to be active and healthy with 8.9 million users annually and 165 million unique visits; and are especially important for users in more deprived areas, where data tells us users prefer to exercise in a leisure centre over other informal settings.
- People's health and wellbeing, and therefore NHS performance relies on leisure facilities. Leisure centres deliver two thirds of cancer rehabilitation services and 79 per cent of social prescribing initiatives. Swimming alone saves health system £357 million per year according to research by Sheffield Hallam University and Swim England.
- 72 per cent of schools use public swimming pools to deliver their statutory responsibility for learn to swim and the water safety curriculum. And 75 per cent of grassroots sports clubs rely on public leisure centres to operate.
- Being physically active prevents many serious physical and mental health conditions, calculated to save £9.5 billion per year (Sport England). Of this amount, £5.2 billion is in healthcare savings and £1.7 billion is in social care savings, while a further £20 billion of value comes from stronger and safer communities.
- They provide an estimated 585,000 jobs in the UK, in particular offering career opportunities for young people who make up a large proportion of the paid workforce: 45 per cent are aged 16-24 and 21 per cent are aged 25-34.

Many councils have commissioned out leisure services helping to deliver improved outcomes. 94 per cent of councils report using leisure centres in schemes to tackle health inequalities and 97 per cent of councils and leisure providers wish to commission these services to do more. [Recent health economics research](#) shows that an increase in healthy life expectancy by 3.7 years could be achieved over a decade if leisure centres were used to deliver a national physical activity improvement scheme (DCN). Leisure providers have done a sterling job delivering these outcomes; providers operate on small profit margins, ploughing money back into the service to support communities, but this has left them vulnerable and unable to do more.

The failure to identify support for the sector will be the final straw for certain facilities and services across the country – especially for swimming pools, which cannot be replaced by limited private sector provision and where Sport England data shows swimmers do not transfer to another form of activity. Leisure, sport and swimming pool closures on a national level will unequivocally damage our national health, the economy and will increase pressure on the health service. Action taken now will be far more cost-effective and will prevent costly knock-on impacts for society and the public purse in the long-term.

We therefore urge the Government to act swiftly with three key measures:

1. Reclassify pools and leisure centres as energy intensive in the Energy Bills Discount Scheme so they can access the higher level of energy price discount.

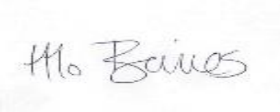
2. Set out what tangible support it will provide to the wider sector – including gyms and sports facilities – to help navigate the energy crisis across 2023 so that service restrictions and facility closures can be minimised.
3. Set out a “plan for the growth” for the sector by aligning the proposed new Sports Strategy with the Spring Budget to unlock the potential of the sector to support the economic, health, and social wellbeing of the nation.

Our members stand ready to work in partnership with Government to prevent further closures and accelerate our progress towards a sustainable leisure network.

Yours sincerely,



Cllr Gerald Vernon-Jackson
Chair, Culture, Tourism and Sport Board,
Local Government Association and
Leader, Portsmouth City Council



Mo Baines
Chief Executive, Association for Public
Service Excellence



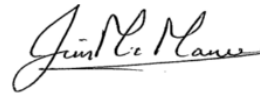
Debbie Kaye
Chair, Chief Cultural & Leisure Officers
Association



Cllr Elizabeth Campbell
Executive member for London's Future:
Business, Economy and Culture, London
Councils and Leader, Royal Borough of
Kensington and Chelsea



William Benson Solace Spokesperson for
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Wells Borough Council



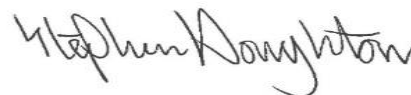
Professor Jim McManus
President, Association of Directors of
Public Health



Cllr Linda Taylor
County Councils Network Unitary
Spokesperson and Leader, Cornwall
Council



Cllr Sam Chapman-Allen
Chairman, District Councils' Network and
Leader, Breckland Council



Sir Stephen Houghton CBE
Chair, Special Interest Group of
Metropolitan Authorities and Leader,
Barnsley Council

Annex: Case studies

- Innovative partnership between GPs and leisure centres like East Riding of Yorkshire Council's award-winning Live Well exercise on-referral programme can help to combat obesity and reduce the need for expensive bariatric operations. In East Riding of Yorkshire, the programme has **saved the NHS £2.5 million** in eight years.
- Exeter City Council opened the UK's first leisure centre to be built to Passivhaus standards. It replaces the 50-year-old swimming pool and is climate proofed until 2080. It is expected to **save up to 70 per cent** on annual energy costs, use **50 per cent less** water, reduce running costs and receive **500,000 annual visitors**. Over **1,000 people** helped to design, construct and deliver the build. Creating eight jobs for apprentices, 15 jobs for new entrants, one graduate job and 35 work placements, eight of which went to recipients not in education. The workforce has been upskilled on environmentally friendly building practices to support its implementation in future builds. **£340,320** has been generated in social impact through skills and employment.
- The Sands Centre project in Cumbria is co-locating musculoskeletal (MSK) services and creating integrated care pathways between leisure providers and their NHS counterparts. These outpatient services have been moved into communities to free up bed space in acute hospital, bringing disparate services under one roof. The co-location has resulted in a **50 per cent increase in capacity** for MSK services locally. Longer term savings for the wider healthcare economy are expected as a result of positive impacts upon population health and wellbeing. Helping to reduce demand on NHS Community and Secondary Care services and mental health services.
- The City of York partnership developed a health and wellbeing hub in Burnholme, York. It has helped to regenerate the area which has significant pockets of deprivation, deliver improved services for the local community and is helping to reduce pressures on GP services and unplanned admissions. It has refurbished the existing leisure facility, co-located a care home which will deliver **80 additional residential care bed spaces** and deliver £500,000 capital receipt. It includes a medical centre, onsite social prescribing and exercise on prescription and has delivered **81 new housing units**, 40 per cent of which are affordable homes.
- Hinckley and Bosworth Borough Council have a well-developed GP exercise referral scheme. Their leisure team have supplemented this with further outreach work, creating a network of volunteer Health and Wellbeing Ambassadors from within the community. These ambassadors support participants who access the referral scheme and introducing them to accessible exercise sessions run at leisure facilities.
- Cherwell District Council's FAST family programme, delivered with Active Oxfordshire and supported by Sport England, works with local schools to provide families with physical activity sessions delivered in 12-week blocks by the council's Youth Activators. It has seen a huge impact for the **3500 families** registered, recording a **30 per cent increase** in adult and children's physical activity levels. The expanded project now caters for **1220** further families outside of the district.