



Report to: Communities Committee, 2nd November 2022

Report of: Corporate Director - Operations, Homes and Communities

Subject: FREEDOM LEISURE – CONTRACT YEAR 6 - ANNUAL REPORT (APRIL 2021 TO MARCH 2022)

1. Recommendation

1.1 That the Communities Committee notes the content of the Freedom Leisure Annual Report 2021/22, which is due to be presented by members of their senior management team on the evening of the above meeting.

2. Information

2.1 The attached annual report 2021/22 (**Appendix 1**) encompasses an overview of the performance of Freedom Leisure during the specified period.

2.2 Following the third lockdown caused by the coronavirus pandemic all three leisure centres re-opened on the 12th April 2021 and as a result 2021/22 represents the first full operating year post pandemic. The reporting period has therefore been focused on Business Recovery with a return to 86% of the membership base by the end of the financial year.

2.3 A return to pre-pandemic levels of participation continues to be a challenge in some instances, whilst other areas such as the Learn to Swim Programme have recovered well beyond their previous position (122%)

2.4 Issues encountered during the period include the risk of significant ongoing energy costs, the cost of living crisis, recruitment challenges and delays to the supply chain.

2.5 Freedom Leisure finished contract year 6 with a deficit of £85,503 which included a management to the Council of £319,248 supported by national grant funding of £259k (£171k from the National Leisure Recovery Fund, £54k from an NNDR re-start grant and £34k from the Job Retention Scheme).

2.6 The Council's Contracts and Performance Manager liaises on a regular basis with the Area Manager and General Managers at Freedom Leisure responsible for the delivery of the Worcester contract in order to resolve any day to day operational issues.

2.7 The Contracts and Performance Manager also attends quarterly meetings with representatives from Freedom Leisure to analyse and discuss the content of their quarterly performance reports.

2.8 Freedom Leisure's performance is also monitored via a Performance Framework which reviews areas of the business such as income, active participation, sales, membership attrition, statutory compliance, community engagement and financial investment.

2.9 Building inspections, spot checks and mystery visits also form part of the contract monitoring process undertaken by Council Officers.

Ward(s): All Wards
Contact Officer: Alan New (Contracts & Performance Manager)
Telephone: 01905 721122
E-mail: alan.new@worchester.gov.uk

Appendix 1: Freedom Leisure Annual Report – 2021/22