

Local Authority Leisure Facilities; Facilities operation 2024

To: All APSE Leisure contacts UK. Other contacts for information:

1 Executive Summary

APSE has been tracking the operation of local authority leisure provision for over 10 years and collected performance data for over 25 years on facility operation. There was a large shift to the Trust model in the noughties as Councils sought to avoid non-domestic rates and enjoy some VAT privileges. These financial benefits have been eroded by Court action or disappeared in the intervening period.

There now exists a market including In-house, local trusts and external contracts. Much attention was placed on reducing the subsidy burden to local councils and driving down the costs of leisure operation. The pandemic of 2020 destroyed this business model with many operators forced to seek additional public funds to stay afloat. This has stimulated many councils to reappraise their leisure provision and there is now a drift back in towards in-house solutions, including wholly owned company models.

2 Key points

Leisure is a non-statutory service which sits with all unitary authorities and with the district councils in two-tier country areas. Northern Ireland, Scotland and Wales are all now unitary authorities, whilst Districts are predominantly Southern. County Councils have not been included.

In May 2024, a data gathering exercise was undertaken to determine how local authorities deliver their leisure facility management. This can be either in-house, including via an arms-length company, via a local charitable trust or via a contract with national leisure operator such as GLL. Two authorities have transferred leisure to an employee co-operative.

A	Arms length Co
C	Contract
I	In-house
T	Trust
E	Employee Co-op

North East			
C	5	42%	
I	6	50%	
T	1	8%	
			12

Scotland			
I	7	22%	
T	25	78%	
			32

Yorkshire & Humber			
A	1	7%	
C	3	20%	
I	6	40%	
I/C/T	1	7%	
T	4	27%	
			15

Northern Ireland			
C	1	8%	
I	9	75%	
I/C	1	8%	
			11

North West			
A	3	9%	
A/T	1	3%	
C	2	6%	
I	15	43%	
T	13	37%	
T/C	1	3%	
			35

Wales			
A	2	9%	
C	6	27%	
E	1	5%	
I	9	41%	
T	4	18%	
			22

West Midlands			
A	2	7%	
C	14	48%	
I	7	24%	
IC	1	3%	
T	4	14%	
T/C	1	3%	
			29



East Midlands			
A	4	11%	
C	21	58%	
I	6	17%	
I/C	1	3%	
T	3	8%	
T/C	1	3%	
			36

Eastern			
A	1	2%	
C	28	62%	
I	9	20%	
T	7	16%	
			45

London Boroughs			
C	25	78%	
C/T	1	3%	
I	4	13%	
T	2	6%	
			32

South West			
A	2	7%	
C	16	59%	
I	6	22%	
T	2	7%	
T/C	1	4%	
			27

South East			
C	47	73%	
E	1	2%	
I	2	3%	
T	14	22%	
			64

The totals and percentages are listed here:

In-house	86	24%
Trust	79	22%
Contract	168	47%
Arms-length Co	15	4%
Employee co-op	2	1%
Mix	10	3%

Several new unitary authorities have been created over the past 3 years including Cumberland, Westmorland and Furness, North Yorkshire. These have taken over the leisure arrangements of their predecessor districts. Ten authorities currently therefore have a mix of operators, although some have signalled a unified approach when contracts expire.

Contracting remains the predominant mode of operation although this has reduced. In-house has increased, although some have placed the operation within a wholly owned company structure. Those operating through a local trust have decreased to 22%. The pandemic broke the historic funding model for public leisure and several authorities have decided to return leisure in-house for a period of stabilisation although these are awaiting contract expiration.

It is very clear from the data that there is a significant geographical split.

Scotland favours local trusts, the in-house model is favoured in the North, Northern Ireland and Wales. Contracting out is the main method in the Midlands, the South and London.

APSE Comment

Local Authority leisure is at something of a crunch point. Swimming pools especially rarely cover the cost of operation and Covid marked a shift in participation rates. Whilst these may recover, operating costs for both energy and staff have increased substantially.

Last week we saw the election of a new Labour Government in the UK. There is an emphasis on health, and ideally physical activity will be included within spending priorities. If so, councils will have to navigate the best way to deliver that and the old contracting models for leisure may prove to be too restrictive.

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