

## **STATEMENT OF REASONS FOR URGENT KEY DECISION**

### **REPORT: REMOBILISATION OF LEISURE FACILITIES – FUSION LIFESTYLE**

The COVID-19 pandemic has created a significant economic impact within the leisure sector in the UK, both public and private. The period of enforced closure has resulted in revenue lines collapsing and, while the industry has placed staff on furlough to reduce staffing costs, many of the fixed costs to maintain facilities have remained.

The pandemic is also projected to have a longer-term impact on the industry due to the requirements necessary to ensure facilities are made COVID-19 secure and because of demand issues arising from site users having confidence in returning to use them.

All of the Council's leisure sites closed on 20 March 2020 as required by Government legislation in response to COVID-19. The Government announced on 9 July 2020 that leisure centres would be able to reopen from 25 July 2020.

The report sets out the process undertaken by the Council's leisure operator, Fusion Lifestyle, to enable a phased, suitably adjusted, COVID-19 secure reopening and the proposed revised commercial terms with the Council that will be required as a result of the impact of COVID-19 during the transition period to March 2021.

During the lockdown period, the Council took into account Government guidance issued under the Procurement Policy Note 02/20 and provided temporary financial relief in the sum of £12,670 for April 2020.

Although leisure centres are now permitted to reopen, they must adhere strictly to government guidelines to ensure that the facilities are safe to use and ensure public confidence. However, such restrictions will inevitably have an impact on the business.

The Council has been working with Fusion since that announcement to support them to reopen its leisure facilities. The Executive will be considering further financial support to Fusion and a variation to the current contract to enable the reopening of the centres and continuation of the leisure services.

A further delay to the reopening of the sites could be detrimental to the business of the operator and ultimately could lead to a termination of the contract and closure of the leisure facilities.



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