

Name of meeting: Cabinet

Date: 12 December 2023

Title of report: Leisure Centre Offer 2024/25

Purpose of report: To provide Cabinet with the findings from the leisure centre consultation and other relevant information to enable them to make an informed decision around changes to the leisure centre provision to be managed by Kirklees Active Leisure (KAL) in 2024/25. The report will seek agreement for the rationalisation of the estate and request delegated authority to progress alternative delivery options and/or uses for those sites from which KAL will withdraw.

Key Decision - Is it likely to result in spending or saving £500k or more, or to have a significant effect on two or more electoral wards? Decisions having a particularly significant effect on a single ward may also be treated as if they were key decisions.	Yes
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	Yes
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director for Finance? Is it also signed off by the Service Director for Legal Governance and Commissioning?	Richard Parry Strategic Director for Adults and Health 4.11.23 Isabel Brittan Service Director Finance (S151 Officer) 4.11.23 Julie Muscroft Service Director – Legal Governance and Commissioning 4.11.23
Cabinet member	Cllr Graham Turner Portfolio Holder Finance & Regeneration

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public with a private appendix. Appendix 3 of this report is in private in accordance with Schedule 12A of the Local Government Act 1972 namely it contains information relating to the financial and business affairs of a third party. It is considered that disclosure of the information would adversely affect KAL and therefore the public interest in maintaining the exemption, which would protect the rights of an individual or the Council, outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making.

Has GDPR been considered – Yes

1. Summary

- 1.1 Kirklees Active Leisure (KAL) is a charity which works in partnership with Kirklees Council to provide leisure centres across Kirklees. Over the recent years, it has mirrored the national picture for leisure centres, salary cost pressures have built up since 2016 due to National Living Wage increases, and more recently, it has experienced inflationary pressures due to rising energy and other operational costs. These have increased the challenge for KAL to operate in a financially sustainable way. Even with the recovery of income and membership numbers to above pre-Covid levels, there continues to be a financial challenge to operate within previous budget envelopes.
- 1.2 From 2021/22 to 2023/24, the council has provided additional financial support of £9.96m to support KAL to recover from the impact of Covid and then cost of living pressures. This is in addition to the council's core funding of £6.08m and a Sport England Grant of £1.175m across the same periods.
- 1.3 As part of the council's need to balance its budget as it too faces financial pressures, the council indicated earlier this year that it could no longer provide additional funding to KAL. From April 2024, it will only be able to offer a core grant of £2.555m as stated in the 2023/24 Budget Book.
- 1.4 KAL responded that it could not continue to manage all the centres within its portfolio if there was no additional funding from the council. It proposed the closure of some sites.
- 1.5 To inform its response to the KAL proposal, the council decided to seek the views of the public as well as analyse financial information, capital investment needs, health inequalities data, legal issues and other similar provision. A six-week public consultation took place between 29 September and 12 November 2023.
- 1.6 KAL has taken on board feedback from the consultation and have significantly reduced costs and will increase income through higher fees and charges, alongside analysing other financial data. As a result, they have been able to submit a revised proposal with fewer closures.
- 1.7 This report contains information from the consultation and other analysis plus the revised KAL proposal so that the Cabinet can take a decision about which sites it would like KAL to continue managing in 2024/25.
- 1.8 It is proposed that the following sites will remain open to the public as the 2024/25 offer Batley Sports & Tennis Centre; Bradley Park Golf Club; Colne Valley Leisure Centre; Holmfirth Pool and Fitness Centre; Huddersfield Leisure Centre; Leeds Road Sports Complex; Scissett Baths and Fitness Centre; and Spen Valley Leisure Centre (including Princess Mary Stadium/ Running Track).
- 1.9 KAL will withdraw from Dewsbury Sports Centre and Huddersfield Stadium & Fitness Club and they will cease operating. Deighton Sports Arena will remain open and continue to be operated by KAL in the short term whilst a longer-term solution is sought.

2. Information required to take a decision.

- 2.1 The council does not have a statutory duty to provide leisure services, only discretionary powers.

- 2.2 In 2002, the council chose to transfer the management and delivery of its leisure centres to Kirklees Active Leisure (KAL), a newly created charitable, non-profit distributing organisation that was legally independent from the council. The rationale for this was that KAL, unlike the council at that time, could benefit from business rates relief and VAT savings. The intention was that these savings would then be re-invested into the improvement of the leisure centres and the services delivered in them thus improving the offer available to citizens.
- 2.3 All physical assets have continued to reside on the council's balance sheet and the council retains most of the responsibilities for major capital repairs and maintenance although KAL has also significantly invested in the local leisure stock.
- 2.4 KAL manages 11 leisure sites providing a service to over 65k registered customers. It received c.2.5m customer visits during 2022/23. It also provided swimming lessons for over 136 schools in its 8 pools, as well as 2 pools located at Huddersfield school sites.
- 2.5 Leisure services throughout the UK are facing unprecedented financial challenges. Last year, ukactive stated that 40% of council areas were at risk of reducing their leisure centres and swimming pools and 65 pools had closed in the three years to March 2022.
- 2.6 Since 2021/22, to support KAL to recover from the impact of Covid and rising energy costs, the council has provided additional financial support as shown below:

Financial Year	Core Grant Funding	Covid/ Recovery Support	Cost of Living Pressures	Total Kirklees Council Funding	Sport England Grant
2021/22	£1.570m	£3.5m		£5.070m	£822k
2022/23	£2.155m	£2m	£712k	£4.867m	£352k
2023/24	£2.355m	£1.5m	£2.245m	£6.1m	
2024/25	£2.555m				

- 2.7 As part of the council's need to balance its budgets during the current financial situation, the council can only make available a maximum financial contribution of £2.555m in the financial year 24/25 and is unable to provide additional financial support.
- 2.8 KAL informed the council that it could not continue to maintain its operations at the same level as twelve months ago without additional support. After temporary closures in early 2023 as an interim response to KAL's financial challenges, there has been a council led transformation programme in place to collate information about finances, health inequalities, legal issues, benchmarking information and capital investment needs.
- 2.9 KAL subsequently proposed options for what it could afford to deliver 2024/25. These were considered. The council chose to consult citizens during 29 September to 12 November 2023 to help inform its response back to KAL.
- 2.10 Whilst the consultation has been taking place, KAL staff and council officers have continued to work together to collate the information which the Cabinet needs to

consider when taking a decision regarding the future offer. The council has encouraged KAL to remodel its finances to reduce expenditure and increase income and KAL has undertaken this remodelling to ensure a wider leisure centre offer can be maintained for the citizens of Kirklees.

- 2.11 17,860 respondents have engaged with the leisure centre consultation giving their views on the future of the provision. An overview of findings is shown in Appendix 1. These views, alongside the Integrated Impact Assessment (IIA) [IIA - Leisure Centre Review](#) and other financial information, have been brought together to support and inform decision making.
- 2.12 It is clear that a number of respondents value the leisure centres and have had strong opinions about the proposed closures. Feedback suggests that some customers are willing to pay more and get involved with fundraising to support their longevity. Leisure centres will remain at risk if they are not used by communities as they will not remain financially viable.
- 2.13 KAL has submitted a revised proposal for 2024/25 which can be delivered with no further financial support other than the core grant from the council. It has made significant changes, reassessed its finances and remodelled its offer to keep open the following eight sites, six of which have swimming pools:
- Batley Sports & Tennis Centre
 - Bradley Park Golf Club
 - Colne Valley Leisure Centre
 - Holmfirth Pool and Fitness Centre
 - Huddersfield Leisure Centre
 - Leeds Road Sports Complex
 - Scissett Baths & Fitness Centre
 - Spen Valley Leisure Centre & Princess Mary Stadium / Running Track
- 2.14 The council and KAL have been successful in attracting revenue funding from the Swimming Pool Support Fund, a Government Fund administered by Sport England which is helping to keep open the pools at Huddersfield Leisure Centre and Scissett Baths in 2023/24. Keeping Scissett Baths open long term is dependent on whether the current capital application to this fund is also successful as this will help to introduce further energy saving measures to make the pool more financially sustainable. If the application is unsuccessful, the plans for Scissett Baths may need to be revisited. A response from Sport England is expected by the end of 2023.
- 2.15 Appendix 3 is an exempt appendix which provides a detailed budget for the above offer. This information is commercially sensitive and so is contained in a private appendix. The financial strategy which has enabled the development of a revised leisure centre offer is based on further reducing costs and increasing income. Income forecasts have been revised as KAL has managed to retain more customers after previous facility closures than it forecast earlier in the year. In addition, more Dewsbury Sports Centre customers have remained as KAL members after the closure of the site than was expected. These members transferring to other centres, particularly Batley Sports and Tennis Centre, have increased the viability of these other sites.

- 2.16 Over the last few months, KAL has significantly reduced its expenditure and will continue to do so. Energy costs have reduced and KAL has worked hard to minimise energy consumption. Staffing numbers have reduced through voluntary and compulsory redundancy, as well as other staff leaving KAL and their roles not being replaced. The current closure of Dewsbury Sports Centre and the withdrawal from the Stadium Health & Fitness Centre will significantly reduce costs including those associated with energy and staffing. In addition, KAL continue with an essential spending only approach within the organisation. It will further reduce its central overhead costs by moving its head office to Huddersfield Leisure Centre from the John Smith's Stadium and continuing to downsize its corporate team. KAL will continue to consider rationalising its opening hours, in consultation with customers to ensure that it opens when there is most demand and closes when there is least.
- 2.17 The consultation has highlighted that customers are prepared to pay more to keep their centres open. KAL has taken this on board and is proposing to further increase its charges over the coming months whilst ensuring membership and other product areas continue to grow effectively.
- 2.18 Any further reduction in the number of swimming pools would have had an impact on school swimming provision, with some schools no longer being able to access public swimming pools and able to then meet National Curriculum criteria in relation to ensuring pupils can swim. The revised KAL proposal means that the demand from schools in Kirklees can still be met although some schools will need to transfer to other centres.
- 2.19 Alongside the £2.555m in core funding, the council is responsible for the capital repair costs required at leisure centres. When considering the KAL proposal, it is important that the Cabinet also considers the level of capital funding which is required over the next three years for essential repairs at the centres. This will be reflected in future budget setting arrangements. The estimates are below:

Batley Sports & Tennis Centre	Boiler, pool tank repairs, Combined heat and power repairs, Tennis Centre Roofing	£909k
Bradley Park Golf Club		Nil
Colne Valley Leisure Centre	<u>Wetside</u> boiler & hot water storage, <u>dryside</u> boiler, poolside tiling	£268k
Holmfirth Pool		Nil
Huddersfield Leisure Centre	Emergency lighting	£50k
Leeds Road Sports Complex	Electrical distribution system	£25k
<u>Scissett</u> Baths & Fitness Centre	Roofing & mechanical works, electrical works, emergency exit	£1.1m
<u>Spennithorne</u> Valley Leisure Centre	Track replacement	£250k

- 2.20 KAL has proposed that it will withdraw from three sites, which will reduce its leisure centre offer from 11 to 8 sites. These sites are the Deighton Sports Arena, Dewsbury Sports Centre and the Stadium Health and Fitness Club.

- 2.21 The council has asked KAL to continue providing access for local communities to the Deighton Sports Arena until at least 31 March 2024. This is to allow discussions to take place with a potential partner and the community regarding an alternative operating model. A review will be carried out in late February to assess whether this arrangement should be continued, based on progress towards the alternative operating model and potential partner taking on the running of the site.
- 2.22 Dewsbury Sports Centre (DSC) was closed in September 2023 as it was deemed unsafe after the discovery of cracks in the RAAC (Reinforced Autoclaved Aerated Concrete) which is present throughout the whole wet side area and reception as shown in Appendix 2. This also details the extent of the issues found, as well as outlining concerns regarding the main pool tank and the building's electrical infrastructure, which in total would require around £6-7m of repair work.
- It is proposed that the council works to develop a future plan for physical activity across Dewsbury which contains a range of options for the long term.
- 2.23 As part of developing this plan, an assessment will be made of the cost and feasibility of creating access to the dry-side facilities at DSC.
- 2.24 This will also include ensuring the business plan for this site and the overall KAL offer is financially viable. KAL's remodelled proposal is partially dependent on customers who previously used DSC continuing to use the sites they have transferred to which is supporting them to be more financially viable.
- 2.25 In September 2023, KAL served notice on Kirklees Stadium Development Ltd (KSDL) and Kirklees Council to withdraw from the Stadium Health and Fitness Club on 24 December 2023. It closed the site to customers on 30 November 2023. The council will continue to work with Kirklees Stadium Development Ltd (KSDL) to try to secure an alternative operator for the site.
- 2.26 Further analysis needs to take place and options explored in relation to the sites from which KAL is withdrawing. It is therefore proposed that a report detailing the full property implications for these sites be brought together in a separate Cabinet report in 2024 so that the Cabinet can decide which options to approve.
- 2.27 It is recommended that the council continues its partnership with KAL for at least the next twelve months to provide stability in terms of the offer and enable KAL to recover from the challenges of the last three years. During this time, the council and KAL will work in partnership to develop other partnerships and relationships with community groups and local businesses who can support the leisure centres, work together to increase usage and fundraise to improve the centres.
- 2.28 It is not possible to keep every centre open within the present budget envelope even though enabling citizens to be physically active is valued by the council because of its contribution to physical and mental wellbeing. Leisure centres form one part of the infrastructure that enable citizens to be active. Some elements of the provision of a leisure centre, such as gyms and fitness classes, can be provided through the wider market and alternative providers.
- 2.29 The next phase of the Leisure Centre Review Programme will focus on the future vision for sport and physical activity in Kirklees to ensure our citizens have a wide choice of activities. It is recommended that officers work with partners including key national sporting bodies to develop a sport and physical activity strategy which can

attract funding and enable communities to develop and access a wide range of activities in their localities. The strategy should prioritise those communities with high levels of deprivation and health inequalities and a limited leisure centre offer such as Dewsbury.

3 Consultation

- 3.1 The council carried out a comprehensive consultation for a period of six weeks between 29 September 2023 and 12 November 2023 on proposals for the future of all sites currently operated by KAL.
- 3.2 17,860 respondents completed the survey (17,143 online, 717 on paper). 93% of respondents were Kirklees residents and 72% were members of KAL. Citizens from across Kirklees engaged with the survey:
- 17% - Holme Valley
 - 15% - Colne Valley
 - 13% - Spen Valley and Heckmondwike
 - 11% - Batley
 - 11% - Huddersfield West
 - 10% - Dewsbury
 - 6% - Huddersfield East
 - 6% - Denby Dale
 - 5% - Mirfield
 - 4% - Kirkburton.
- 3.3 Further information about those who participated includes:
- 66% Females, 33% Males and 1% Non-Binary/Intersex
 - 4% under 25s, 38% over 55s
 - 10% BAME (excluding White British, English, Welsh, Northern Irish) 19% from low-income households (below £20,000)
 - 3% Former armed forces
 - 22% with a disability
 - 45% with a caring responsibility (children and/or adults).
- 3.4 An overview of the qualitative and quantitative data has been brought together in Appendix 1. Potential impacts highlighted through the consultation are:
- Reduced access to classes/ activities /provision
 - Reduced participation in physical activity
 - Decline in physical/ mental wellbeing
 - Financial impact to users
 - Loss of services in deprived communities
 - Job losses
 - Environmental impacts
 - Increased demand of public and local health services (NHS)
- 3.5 Informed by the consultation, an Integrated Impact Assessment has been completed to assess the impact of proposed changes to the leisure offer. This considers the equality impact, covering the nine protected characteristics as set out in the Equality Act 2010. This is available to support decision making [IIA - Leisure Centre Review](#)

The IIA identified that residents in the 55+ age category, with a disability, or on a low income were most likely to be negatively impacted by the closure of specific sites and by any overall reduction in both wet and dry side fitness sessions. A key barrier to access appeared to be a combination of increased travel time and cost that impacted those on low incomes or experiencing mobility issues. In the case of older residents there was an additional factor relating to loneliness and isolation.

Retaining Batley Sports and Tennis Centre (BSTC) and Colne Valley Leisure Centre was an important mitigation against this risk, and there was some early evidence from the Dewsbury Sports Centre (DSC) Impact Statement, that BSTC was already catering for the needs of a significant proportion of former DSC users. BAME residents were also found to be more at risk of adverse impacts, especially in North Kirklees where there is a high proportion of South Asian KAL users and where KAL have over time adjusted the delivery of services to reflect the cultural needs of that population – i.e. female only sessions. The decision to keep BSTC has gone some way towards mitigating this impact but DSC was shown to be a highly valued asset within the local South Asian community and further community engagement and targeted promotion of options will be required to manage the transition to a new model of delivery. A similar approach will also be required with respect to the Black African-Caribbean community members in Dalton who used the Stadium Health and Fitness Club to meet their health and physical recreation needs.

3.6 For the consultation, the estate was split into three categories:

- **The core offer** - the sites that it was proposed will stay open given that they are modern buildings with a comprehensive offer and limited capital investment is required compared to other sites.
- **Marginal sites** – the sites which were most likely to remain open in 2024 whilst other funding and management options were explored because they require a low financial contribution from the council and/or have fewer capital requirements and/or there are other factors that influence decision making in the short term. If they began to require more financial investment from the council or factors influencing their long-term future changed, these sites could close at a later stage.
- **Potential closures** – sites which it was considered were least likely to remain open in 2024 because they require significant financial investment from the council to operate and/or require significant capital investment.

3.7 To ensure inclusion, alongside accessing the consultation online, paper copies of the consultation and supporting booklet were available at all the KAL sites. 7 facilitated drop-in sessions were held throughout the borough, both at leisure centres and other venues to support citizens who preferred to respond in person.

3.8 To support those with protected characteristics to engage, 4 discussion groups were held to identify any potential impacts that any changes to the leisure offer may have.

4. Implications for the Council

4.1. General

Kirklees Council continues to support the delivery of the leisure centres as they contribute to the outcome in the Council Plan, 'Well – People in Kirklees are as well as possible for as long as possible.' They also contribute to other outcomes, particularly Aspire & Achieve, Sustainable Economy and Clean and Green.

Due to the ongoing economic pressures, sustaining the leisure offer in its current format is not financially sustainable for KAL or the council. To ensure financial milestones are met, the Cabinet is asked to take a decision on the leisure centre offer on 12 December 2023.

4.2. Working with People

The consultation has been about listening to the views of our citizens, which the Cabinet is asked to consider when deciding about the future leisure centre offer. It has successfully identified future partners who want to work with KAL to ensure the financial sustainability of specific sites e.g., a group of campaigners in the Colne Valley who want to work with KAL to identify new sources of income and to fundraise to improve the centre.

Officers have been responding to ideas proposed by consultees to check their feasibility. For example, suggestions for mitigations for centres which KAL may withdraw from included the use of community transport, which could support citizens to access centres further away from their usual site. Initial scoping has been undertaken and initial findings suggest that due to how people use leisure centres, footfall and locations, it would be difficult to meet the needs of users. There are also complexities in relation to licenses or permits needed. Further work is recommended to ascertain whether this is a viable option.

It is recognised that changes to the provision may well have an adverse impact on some current KAL customers. This will be most significant for swimming pool users as KAL provides most of the public swimming offer in Kirklees, whereas there are a wide range of other private providers of gyms and other non-wet side activities. Private pools are limited in number and membership is around £50 per month; this compares to KAL who currently charge £29.95 per month.

Through the consultation, it became apparent that some community sports clubs / teams would be adversely affected if some of the sites closed as they would no longer have access to sports pitches, pools, or courts. This has been considered in the revised proposal to try to maintain access for as many clubs as possible although not all can be accommodated within the reduced number of leisure centre available.

If the proposal outlined at 2.13 to develop a new sports and physical activity strategy is approved, it will be important that this is developed with citizens, clubs and community organisations to ensure it responds to local need.

It is important that individuals, sports groups and local communities actively support their local leisure centre to maintain its viability.

4.3. Working with Partners

KAL has managed the leisure stock in Kirklees since 2002. Following any changes to the offer, it remains determined to re-grow and develop the organisation. It has highlighted its determination to continue working with the council to provide high quality opportunities for local people to improve their physical and mental health and wellbeing.

Through the consultation, KAL and the council have been approached by other potential partners who wish to become more involved in supporting specific sites. A new model will be developed which enables communities, businesses, schools and other partners to have more of a role supporting the centres especially in relation to fundraising and income generation activities.

Appendix 1 includes a section about the key stakeholders who have written to the council as part of the consultation. Some such as Sport England and the University of Huddersfield provided information and data which has been useful in the analysis leading to the revised proposal.

4.4 Place Based Working

The Kirklees Health and Wellbeing Strategy's (KHWS) [Kirklees Health and Wellbeing Strategy 2022 - 2027](#) ambition for Healthy Places is that 'the physical and social infrastructure and environment supports people of all ages who live, work or study in Kirklees to maximise their health opportunities and to make the healthy choice the easy choice.'

The KHWS commits that 'we will work with communities to understand their local needs and offer a variety of opportunities to access physical activity, recreation, connection and culture and heritage activities.' Thus, any such strategy as proposed should be developed through engagement, in line with the Kirklees Shaped by People Outcome & the KHWS Ways of Working and reflect on our 'I Statements.' Engagement should focus on our least active communities, specifically inclusion health groups and people living in our most deprived communities. This will help us to understand what would enable them to be more physically active, what they would like to do in terms of physical activity, what the barriers are and how they could be tackled. This recognises that the majority of physical activity takes place outside of the KAL leisure centres.

4.5 Climate Change and Air Quality

An Integrated Impact Assessment (IIA) has been completed around the future changes to the estate see [IIA - Leisure Centre Review](#). This includes an assessment of the impact on climate change.

KAL has been able to partly remodel its offer due to its ongoing efforts over the last few months to further reduce energy consumption and it continues to introduce measures to make additional reductions. A Swimming Pool Support Fund capital application has been submitted for Scissett Baths and Fitness Centre. If this is successful, further measures will be introduced to reduce energy usage, therefore reducing the impact on the environment and supporting the improved financial sustainability of the centre.

4.6 Improving outcomes for children

There is no statutory duty to provide swimming pool facilities, but the council has discretionary powers to do so. However, the council must exercise its functions with a view to securing the National Curriculum in maintained schools. Maintained schools must provide swimming instruction for pupils either in key stage 1 or key stage 2 and in particular, pupils should be taught to swim 25m. The model that is proposed ensures that there is provision for all school swimming.

The proposal included in the consultation would have impacted on children and young people by restricting access to facilities such as all-weather pitches used for grass roots

football clubs. As a result of consultation responses, this was taken into consideration when revising the proposal.

4.7 Other (e.g. Financial, Legal or Human Resources)

Due to the ongoing economic pressures, sustaining the leisure offer in its current form is not financially viable for KAL or the council. The changes to the estate will impact significantly on KAL staff, with the charity having to reduce significantly in size to remain viable. To achieve this reduction prior to the 2024/25 financial year and due to the associated cash risk attributed to uncontrollable costs and potential drop in income, KAL has implemented the legally required statutory redundancy process. As part of the funding agreement between KAL and the council, KAL must mitigate against redundancies as much as possible, but the council is potentially financially liable for the costs where the council decides to close facilities subject to certain caveats. Once a decision regarding the future leisure centre offer has been taken by Cabinet, discussions will begin between the council and KAL to assess and agree the financial costs. More work is required to provide a firm estimate of costs once there is clarity about which facilities will close, what staff will be affected and what further scope there is for redeployment.

A site-by-site analysis of the budget for each of KAL's current facilities has been thoroughly reviewed (Appendix 3 Private). A comparison of this budget to the pre-Covid budget for the same facilities in 2019/20 shows that reasonable assumptions have been used in constructing the latest budget. The key changes include staffing costs, which have been affected by the increase in the National Living Wage, and energy costs which have been affected by significant inflationary changes. Income is broadly in line with pre-Covid levels.

Subsequent to the council accepting that KAL will withdraw from some of the sites, consideration will need to be given to the future of these facilities. In the meantime, however, there will be holding costs for those sites which, inevitably, the council will need to fund. Any decision to close the facilities needs to be supported with a clear strategy about the future of the sites so that any holding costs are minimised wherever possible.

Although there is no statutory obligation to undertake a public consultation, it has been carried out to improve the quality of the decision making. A fair consultation is one undertaken when proposals are at a formative stage; sufficient reasons are given for proposals to allow intelligent consideration together with criteria that will be applied when considering proposals and which factors will be considered decisive or of substantial importance; adequate time is given for consideration and response; and the product of consultation must be conscientiously taken into account before any final decision is taken. Members should carefully consider the outcomes of the non-statutory consultation when considering the recommendations put forward by officers in this report.

The council has a duty of Best Value under section 3 of the Local Government Act 1999 to secure continuous improvement in the way functions are carried out having regard to a combination of economy, efficiency and effectiveness following the DLUCH Revised Best Value Statutory Guidance (March 2015). On 1 July 2023, the Government began consulting on draft revised supplementary guidance which closed on 15 August 2023. The council has a fiduciary duty to taxpayers to ensure, before committing to any discretionary grant funding (and future capital costs), that it is prudent, affordable, and sustainable in the context of the council's unprecedented budget challenges and the statutory requirement for a balanced budget. The council must have regard to all relevant factors and disregard irrelevant factors. It must act in accordance with Wednesbury reasonableness meaning that decision making should be rational having regard to all relevant factors.

The council's discretionary grant funding to KAL is provided under section 19 of the Local Government (Miscellaneous Provisions) Act 1976 and all other enabling powers. This is a power and not a statutory duty as the provision of leisure services is discretionary. There is no statutory duty to provide for sport activity or to provide leisure facilities or swimming pools. Any grant to KAL must comply with the requirements of the Subsidy Control Act 2022.

The council has a statutory duty under section 12 of the Health and Social Care Act 2012 (section 2B of the NHS Act 2006) (duties as to improvement of public health) to take steps it considers appropriate for improving the health of the people (which includes children) in its area. The steps include amongst other things:

- Providing information and advice
- Provision of services or facilities for the prevention, diagnosis of the treatment of illness
- Providing financial incentive to encourage individuals to adopt healthier lifestyles
- Providing assistance to help individuals to minimise any risk to health arising from their accommodation or environment
- Making available the services of any person or facilities.

Members should carefully consider, before making a decision, the Integrated Impact Assessment (IIA) at [IIA - Leisure Centre Review](#). Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty replacing the previous duties in relation to race, sex and disability and extending the duty to all the protected characteristics i.e. race, sex, disability, age, sexual orientation, religion or belief, pregnancy or maternity, and gender reassignment. The Public Sector Equality Duty requires public authorities to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and other conduct prohibited under this Act
- Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it; and
- Foster good relations between persons who share a protected characteristic and persons who do not share it, which involves having due regard, in particular, to the need to- (a) tackle prejudice, and (b) promote understanding.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it, including, in particular, steps to take account of disabled persons' disabilities; (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

5. Consultation and Engagement

A wide range of residents have engaged through the consultation process, including KAL customers, non-users and citizens with protected characteristics. Alongside an on-line consultation, paper copies have been available at KAL managed centres. Drop-in sessions and focus groups to support engagement with the consultation have been held. This has enabled those with protected characteristics or who do not want to engage online or are unable to, to still have the opportunity to be heard.

An analysis of the views submitted by citizens and key stakeholders is highlighted in Appendix 1.

6. Next steps and timelines

Phase 1

Once the leisure centre offer has been agreed by the Cabinet, phase 2 will move towards implementation of the changes to the estate in partnership with KAL. In relation to the sites which KAL is withdrawing from, a process for disposal or transfer to another partner will be agreed. A further report will be brought to Cabinet in 2024 which will deal with the property implications of the proposed changes to the leisure offer provision and its impact on individual sites.

Any decision regarding disposal will be considered by the Cabinet.

Phase 2

A strategic approach to sport and physical activity will be developed in 2024. Time will be given to KAL to stabilise its operations after changes have been made and to continue exploring income generating measures.

7. Officer recommendations and reasons

Cabinet is recommended to:

1. Agree the £2.555M leisure offer for 2024/25, specifically:
Batley Sports & Tennis Centre; Bradley Park Golf Club; Colne Valley Leisure Centre; Holmfirth Pool and Fitness Centre; Huddersfield Leisure Centre; Leeds Road Sports Complex; Scissett Baths and Fitness Centre (subject to funding being awarded by Sport England); and Spen Valley Leisure Centre (including Princess Mary Stadium & Running Track).

Agree to Dewsbury Sports Centre (DSC), Deighton Sports Arena and Huddersfield Stadium Health & Fitness Club not being part of the leisure offer.

This proposal can be delivered with a maximum financial contribution from the council of £2.555m and ensures that there is a wide spread of leisure centre facilities across Kirklees and enough water space to meet the demand from Kirklees schools.

In making this decision, the Cabinet should take into consideration the following recommendations to ensure that they have the full information:

2. Consider the findings of the six-week public consultation held between 29 September 2023 and 12 November 2023 at Appendix 1.
3. Note the contents of the Integrated Impact Assessment at [IIA - Leisure Centre Review](#)
4. Note the proposed funding to KAL of £2.555M for 2024/25 as set out in the Budget Book.
5. Note the capital investment required for essential repairs at the sites which will remain open as stated in 2.19.

6. Note that further work will be required to clarify the redundancy and other costs relating to the closure of facilities identified in this report.

In addition, it is recommended that Cabinet:

7. Agree to officers continuing conversations around the future use of Deighton Sports Arena. This is so that options to maintain community access to the facility can be explored within the next 12 to 24 months.
8. Agree that officers develop a future plan for physical activity across Dewsbury which contains a range of options for the long term. As part of developing this plan, an assessment will be made of the cost and feasibility of creating access to the dry-side facilities at DSC.
9. Agree to officers continuing to work with Kirklees Stadium Development Ltd (KSDL) to try to attract another operator for the Stadium Health and Fitness Club to aid the financial viability of the site.
10. Agree to phase 2 of the Leisure Centre Transformation Programme which will focus on the future vision for sport and physical activity to ensure Kirklees citizens have access to a wide choice of activities. As part of this work officers will learn from how other places are ensuring a viable leisure centre offer.
11. Agree to the bringing forward of a report in 2024 regarding the property implications of the proposed changes to the leisure offer provision and its impact on individual sites.

8. Cabinet Portfolio Holder's recommendations

The Cabinet portfolio holder for Finance and Regeneration, Cllr Graham Turner, recommends this report be welcomed.

'I would like to thank those officers that have over the last few weeks worked so hard to go through the many thousands of responses to the public consultation, a very challenging task in a very short space of time.

We received many thousands of responses to the consultation and I would like to also thank the members of the public that took the time to engage with the council on the future offer from KAL.

My thanks also go to KAL and our very small officer core who have spent a great deal of time working on a solution to the challenges faced by KAL, that has enabled the recommendations found in this report to be reached. What looked like a rather bleak outlook at the start of the consultation has now become a more positive outcome.

This has come about due to all those involved looking at every angle of the KAL operation, and how it could be changed to protect the valuable services it offers.

This has involved cost cutting, the closure of KAL's head office and sadly the closure of the facilities at the John Smiths Stadium.

Closer ties with some of KAL's partners has also helped bring in some extra funding.

The current closure of Dewsbury, whilst we assess the issue of the RAAC, has not had as big an influence on membership retention as was first thought.

A Review of the pricing structure will take place, as the public told us they would pay a bit more to use the services offered by KAL, so we have listened and will now work with KAL, and I hope also with the public to develop a pricing structure that enables KAL to function but does not have too big an impact on its users.

So, by a combination of reducing costs, increasing charges, the council's commitment to provide £2.555 million, working closer with partners and better retention of membership, I am confident that KAL will continue to offer a great service for the foreseeable future.

As a cabinet we recognise the importance of the health and wellbeing of our residents and the important role played in that by KAL.

That is why it's important that we have now got this report that preserves most of KAL's current operation and I hope that we can now develop a new closer working relationship with it and the public to ensure the future of the sites KAL operate.

I fully support this report and all 11 recommendations found within it."

9. Contact officer

Adele Poppleton, Service Director for Culture and Visitor Economy –
adele.poppleton@kirklees.gov.uk – 07814 448594

10. Background Papers and History of Decisions

Appendix 1 – Consultation Results

Appendix 2 – Initial survey of Dewsbury Sports Centre

Appendix 3 (Private) – Budget for the KAL proposal

Cabinet report, Kirklees Active Leisure Centre Offer 2024/25 -Consultation , dated 26th September 2023 [Leisure Centre Review Cabinet Report 26.9.23](#)

11. Service Director responsible

Adele Poppleton, Service Director for Culture and Visitor Economy.