



Report of the Cabinet Member for Investment, Regeneration & Tourism

Cabinet - 17 March 2022

Leisure Partnerships Annual Report 2020/2021

Purpose:	To advise Cabinet of the partnership operations of key facilities within the Cultural Services portfolio
Policy Framework:	Creating an Active and Healthy Swansea; City of Sport; Medium Term Financial Plan
Consultation:	Legal, Finance, Access to Services.
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For Information	

1. Introduction

- 1.1 A report on the performance of partner operators of key Council facilities within the Cultural Services portfolio is presented annually.
- 1.2 This report details some of the key partnership arrangements in providing leisure and cultural services, for the benefit of the residents and visitors to Swansea, during 2020/21 and identifies some significant achievements during the year, along with some issues and challenges. Where available, performance outturns for the previous period have been retained in this report for comparative purposes.
- 1.3 The key arrangements outlined within this report include:
 - 1.3.1 Wales National Pool Swansea (WNPS)
 - 1.3.2 Leisure Centres – Freedom Leisure
 - 1.3.3 Plantasia – Parkwood Leisure
 - 1.3.4 National Waterfront Museum Swansea (NWMS)

1.3.5 Other high- level information for Partnership facilities at:
Swansea Tennis Centre & Swansea Bowls Stadium

- 1.4 Each partnership has differing arrangements regarding reporting, monitoring and data collation. This report includes performance information for each partner and brings together the key financial and usage information to demonstrate the overall performance of each operation.
- 1.5 The data includes information on key income drivers, overall expenditure, including staffing costs and repairs, net cost / profit and resultant associated costs to the Council.
- 1.6 Due to the timings and financial years of all the partnerships, not all figures presented are the externally audited accounts, but represent the internal out-turns agreed with respective organisations.
- 1.7 The reporting period is 2020/21, but this report recognises that some partners' financial year ended later than 31st March 2021. Each partner's financial year is highlighted with an explanation of how it differs from the Council's financial years within each subsection.
- 1.8 The World Health Organisation declared Covid-19 a pandemic on 11 March 2020. On 20 March 2020 the UK Government closed all hospitality as well as gyms, leisure centres and visitor attractions. This then escalated into a full lockdown on 23 March 2020.
- 1.9 During 2020/21, the Covid-19 pandemic caused huge disruption to partners' operations and performance, following forced closures by the UK and Welsh Government and the phased, or amended, reopening periods that followed. Depending on the partner and their reporting period, the coronavirus pandemic will have impacted their performance to a greater or lesser extent. Separate reports outlining the implications on the partners, including requests for additional financial assistance, have previously been put forward and acted on by the Council.
- 1.10 All partners performed well in the circumstances, managing costs, and ensuring staff and customers' safety was a priority. Government guidance was followed throughout.
- 1.11 Details of support received, per partner, in terms of Government and/or other grants during this period have been outlined within each subsection.
- 1.12 Overall usage of the facilities is shown and in general is presented as total usage by all users, including repeat visits. Membership information generally represents the number of enrolled members through a subscription.

1.13 Key service outcomes, highlights and snap shots from each partner during 2020/21 have been included for context. The primary purpose of the report is to present partner performance from a financial and quantitative perspective, albeit during a far from “normal” year.

2. Wales National Pool Swansea

2.1 The partnership arrangement at WNPS is via a tri-partite agreement between the Council, Swansea University and Wales National Pool Swansea Limited, underpinned by lease and management agreements.

2.2 WNPS operates within a financial year that is aligned to the University, therefore runs August 2020 to July 2021 as opposed to the Council's, which runs April to March. The out-turn reflects the WNPS financial year and the contributory Council costs in their operating period.

2.3 WNPS is a not-for-profit organisation governed by a board of directors, including three Council members and three University representatives, independently Chaired, with advice given by the Head of Cultural Services, and the Swansea University Associate Commercial Services Director and Financial Accounting Manager. The current Council representatives are Councillors Mark Child, Robert Francis-Davies and Robert Smith. Anne Ellis MBE stood down as Chair in March 2021 and the partners sought a replacement throughout 20/21.

2.4 Day to day management is by the General Manager who reports to the Board. The General Manager is supported by a Management Group with representatives from the Council and Swansea University.

2.5 The funding of WNPS is on a 50% share of net cost after income received, funded by both the Council and Swansea University. As part of the agreement, Swansea Council also provides the schools' swimming programme under a Service Level Agreement (SLA); devolved funding for the Free Swimming Initiative (FSI) under the Welsh Governments Free Swim grant; and support towards Swim Swansea's programme costs for use of the facility.

2.6 WNPS have Service Level Agreements with the University and the Council for several support services. The Council provides support for delivering HR, Payroll, PR/Media and Water Safety.

2.7 Following the initial Covid-19 lockdown, WNPS re-opened to the Swim Wales elite swimmers on 10 August 2020, and subsequently restarted services for the public on 14 September, followed by club bookings on 29 September. A two-week firebreak was enforced at the end of October, and then another full lockdown followed from 20 December 2020 through to May 2021. On 3 May 2021, both public and clubs were able to return. The Learn to Swim programme restarted on 10 May with a phased return.

In accordance with Welsh Government guidance, WNPS remained open throughout the firebreak and final lockdown, to facilitate the Swim Wales elite squad, with commercial arrangements to retain this provision agreed between WNPS and Swim Wales.

- 2.8 WNPS took advantage of the Coronavirus Job Retention Scheme (JRS), and a high proportion of staff were furloughed during the closures, with a handful of staff retained to facilitate the Swim Wales elite squad, undertake regular building and safety checks and routine maintenance to plant and equipment.

The Aqua School staff saw the longest period on furlough and following a review of operations, a consultation with level 1 teachers was undertaken. It was identified that level 1 teachers were no longer required therefore they would be upskilled to level 2 teachers or offered redundancy. The majority of the staff were upskilled and retained.

- 2.9 The budgeted 2020/21 partner contribution for the Council was £302,800. However, due to the pandemic, an agreed maximum level of support through additional underwriting was agreed. The total additional cost for 2020/21 was £283,715.

The additional support being due to lost revenue, the Council was able to reclaim these additional monies through the Welsh Government's Hardship Fund, as 'lost income'.

The total Council contribution from the Council to WNPS for the period was £586,515

- 2.10 WNPS received £163,198 from the Government for the 'Coronavirus Job Retention Scheme' for the period 2020/21. All staff furloughed between August and October 2020 received 100% of their salary. This was 80% from the Government and 20% top up from WNPS, underwritten by the partners. Staff furloughed from November 2020 to May 2021 received salary percentage as per the Government guidelines.

- 2.11 WNPS were able to draw on additional financial support from Government initiatives and received two awards from the 'Sport Resilience Fund' totalling £26,339 and a £4,124 grant from the 'Economic Resilience Fund'.

- 2.12 The pandemic significantly impacted upon WNPS's ability to generate income, resulting in 49% less than the previous period.

- 2.13 At the end of this challenging year and largely due to reduced expenditure in a number of areas, WNPS performed considerably better than its early projections of anticipated losses. The partners' contribution at £586,515 each was based on a 'worst case scenario', resulting in the contribution required reducing to £483,990 each. The overpayment of £102,524 per partner was deferred to 2021/22.

- 2.14 Due to the pandemic and significant increases in partner subsidy, it was agreed at WNPS Board that there would be no allocation to the sinking fund during 2020/21 in order to limit revenue liabilities.
- 2.15 Total visitor numbers were impacted and were down 67% on the previous year.
- 2.16 Following government guidance and reduced capacity in line with restrictions, a booking system was introduced for public sessions and club bookings were limited. As WNPS were unable to take online bookings following the first reopening in 2020, due to a system upgrade, a telephone booking system was set up. This presented a further challenge due to the reduced staff and resources available at that time.

May 2021 saw the completion of the Leisure Management System upgrade and implementation, and the introduction of a new online booking system. A small team from both WNPS and the University spent time building the system during the lockdowns.

- 2.17 As part of the Leisure Management System upgrade, Swansea Bay Sports Park (SBSP) was launched by the partners. SBSP is now the overarching brand for WNPS and its neighbouring facilities.
At present, the facilities continue to operate as they previously have. The most significant changes within WNPS are the installation of the access control gates, an enhanced on-line offer and app, and the shared provision of reception services for the University Sports Centre from the WNPS reception.
- 2.18 With regard to maintenance in the period, WNPS air-handling unit has been upgraded, fitting inverters to increase energy efficiency and allowing greater control over the introduction of fresh air into the pool hall, which has been particularly beneficial in respect of adherence to Covid-19 guidance.
A rolling replacement of the internal lighting also began, upgrading original installations to LED to improve energy efficiency.
- 2.19 A small fire occurred in January 2021, due to a failure of the Combined Heat and Power Unit (CHP). The unit acts as the primary boiler and generates electricity. Since the fire, WNPS has been operating without a CHP and have been working alongside insurers and the University's Estates Department to determine the most appropriate replacement unit for WNPS.

2.20 Wales National Pool Swansea Performance

Table 1

WNPS	2019/2020	2020/2021
Recreational Swim	£227,417	£81,592
Aqua School	£176,629	£24,940
Other Income	£480,534	£345,435
Total Income	£884,580	£451,967
Staff Costs	£1,009,493**	£843,581**
Furlough Grant (Coronavirus Job Retention Scheme)	(£144,634)	(£163,198)
Repairs & Maintenance	£117,292	£124,108
Other Expenditure	£727,377*	£615,457*
Sinking Fund	£0	£0
Total Expenditure	£1,709,528	£1,419,948
Net Cost / (Surplus)	£824,948	£967,981
Council Contribution	£412,474	£483,990
Visitor numbers	138,577	45,700

* includes equipment depreciation

**offset by 'Coronavirus Job retention Scheme' furlough recovery grant (80%)

3. Leisure Centres – Freedom Leisure Ltd

3.1 The operation of the LC and the Community Leisure Centres (Penlan Leisure Centre, Penyrheol Leisure Centre, Morryston Leisure Centre, Bishopston Sport Centre, Cefn Hengoed Leisure Centre and Elba Sports Complex) were transferred under a partnership arrangement to Freedom Leisure Ltd on the 1st of October 2018. The contract is for 19.5 years. Freedom operate within the same financial year as the Council.

3.2 Each facility has slightly different arrangements in relation to proposed legal occupancy; The LC, Penlan Leisure Centre, Penyrheol Swimming Pool and the Elba Sports Complex operate under fully repairing lease principles, as Freedom have exclusivity for their main use. The remaining dual use school facilities operate under licence, or partial lease, as it is not possible to provide exclusivity to Freedom Leisure.

3.3 Due to the Covid-19 pandemic, all facilities were forced to close on 20 March 2020 until the end of July. On the 3rd of August, some facilities were able to reopen and a phased return was implemented, whilst following Government instructions and guidance. Wet-side activities did not re-open until the autumn. The facilities then closed for a two-week 'fire break' at the end of October and again on the 20th December until the end of the financial year.

Throughout the year, opening times were reviewed and adjusted accordingly, as Freedom Leisure followed Government advice and guidance throughout, ensuring high priority to the safety of both staff and public at all times.

3.4 During the closures a high proportion of staff were furloughed under the Government's Job Retention Scheme (JRS), with a handful of staff retained to undertake regular building and safety checks, and routine maintenance to plant and equipment.

During the phased re-opening periods, the JRS continued where appropriate enabling utilisation of necessary roles, whilst avoiding unnecessary costs for others.

3.5 In line with their bid submission and contractual terms, a Management Fee of £1,193,220 was paid to Freedom Leisure in 2020/21.

3.6 On top of the Management Fee, a level of underwriting support from the Council was agreed. The provision of this additional support was agreed on a monthly basis, through an open book process. The additional level of support provided in 2020/21 was £946,571.

The requirement was primarily due to lost revenue alongside retained costs. The Council was able to reclaim these monies through the Welsh Government Hardship Scheme, as lost income.

- 3.7 Freedom Leisure received £1,825,068 relating to the Swansea contract from the Government for the 'Coronavirus Job Retention Scheme' in 2020/21. All staff furloughed during the first two lockdowns and between April and October 2020 received 100% of their salary. This was 80% from the Government and 20% top up from the Council.

The Council agreed to top up all furlough staff between the months of April to October 2020, at an additional cost to the council. Total cost to the Council was £340,291.

Staff furloughed during the final lockdown from December up to the end of the financial year received the salary percentage as per the Government guidelines.

- 3.8 Following consultation with Trade Union representatives, the Council agreed a one off payment of £77,977 to Freedom Leisure, representing 2.75% of each eligible employee's salary for 2020/21, in reflection of the Council's pay award, to be paid to Freedom Leisure staff employed in 2020/21.

This was a goodwill gesture, as under the terms of the contract, Freedom Leisure is able to set its own pay award for employees, in light of market forces. There is no obligation on the Council, in future years, to match any future Local Government pay award.

- 3.9 Despite the pandemic impact, year-end accounts broke even, thanks to the tight controls and work of Freedom Leisure, coupled with the support received.

Due to long periods of no trading, contracted income expectations were not achieved. The aim for the next 12 to 24 months will be to return to a pre-covid-19 trading position, particularly rebuilding membership levels.

- 3.10 Across the Freedom sites in Swansea, visitor numbers in 2020/21 were 230,633. A drop of 88% in comparison to the previous year that was just short of 2-million. The decrease is attributable to the Covid-19 pandemic.

- 3.11 Freedom Leisure offered a 'Covid Guarantee' in 2020/21, which committed to gym members and all other users that they would not lose out financially during lockdown. Freedom Leisure stopped all direct debit payments as soon as closures were enforced, and a credit to those paying annually was provided. Despite these interventions, gym memberships decreased by 39% compared to the previous year, and the Learn to Swim programme also reduced by 17%.

- 3.12 Planned improvements continued during lockdown. Penlan and Morriston roofs and Morriston wet side changing rooms were completed.

Freedom Leisure also introduced a new internet based phone system and upgraded their Leisure Management System, enabling them to offer online 'one system' bookings across the sites.

- 3.13 Again, impacted by the pandemic, their Active Communities Plan (Swansea) faced challenges engaging with Schools and residents, resulting in an online 'Wales Well Being' web page, offering support and guidance to customers. A virtual fitness class was delivered, initially to Gym Members, and then to all customers free of charge, in a bid to help keep Swansea active. Results were encouraging and Freedom continue to have over 2,500 customers engaged in this group to date.
- 3.14 Freedom Leisure's funding to develop community leisure facility at Cefn Hengoed, with support from a number of key funding sources, has been maintained and the project has progressed. Key stages of the project planning procedure, including planning consent, tender appraisals and commencement are progressing.
- 3.15 'Visit Wales' recorded The LC as the 'third most visited paid attraction', in Wales in 2020, in the midst of the pandemic, with the top two being primarily outdoor attractions.

3.16 **Community Leisure Centre Performance - Per Facility Breakdown**
Table 2

	LC	Penlan	Penyrheol	Morriston	Bishopston	Cefnhengoed	Elba	Swansea Active Communities 2020/21
	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21	
Total Income (Excluding Management Fee)	£1,013,460	£661,936	£541,744	£355,721	£152,441	£59,678	£46,893	£15,702
Total Expenditure	£2,229,849	£1,151,159	£823,976	£711,404	£255,126	£114,865	£92,176	£27,080
Management Fee	£20,945	£357,685	£150,868	£381,089	£97,633	£109,968	£75,032	N/A
Total Usage	49,446	77,466	50,417	29,651	16,497	1,036	6,120	N/A

3.17 **Community Leisure Centre Performance – Overall Contract**
Table 3

	2019/2020	2020/2021
Total Income (Excluding Management Fee)	£6,111,251	£2,847,575
Total Expenditure	£8,080,645	£5,405,634
Management Fee	£1,923,370	£1,193,220
Contract Support (In relation to Covid-19 Pandemic)	N/A	£1,364,839*
Total Usage	1,995,013	230,633
Total Membership	10,965	6,991

*Contract Support figure includes: £946,571 Underwriting / £340,291 Furlough top up / £77,977 Pay Award

4.0 Plantasia – Parkwood Leisure Ltd.

- 4.1 Parkwood Leisure Ltd (PLL) were awarded a 15-year contract to operate Plantasia in 2018 and took over the operation, from the Council, on the 1st of February 2019.
- 4.2 PLL's financial year runs January to December. This report reflects Plantasia's financial year January 2020 to December 2020 and the Council's costs in that period.
- 4.3 The financial information contained in the 2019 column in table 4 below, represents January to December 2019. This period includes 11 months of contracted responsibility for the facility and 9 months of trading. The facility officially re-opened to the public on the 13th April 2019 following completion of the capital works.
- 4.4 Plantasia had a good start in 2020, with over 20,000 visitors in the first two months; which are ordinarily 'off-peak' months for the tourism industry. As with other attractions, the enforced closure took place on 20 March 2020 for almost four months; followed by the two-week 'firebreak' at the end of October, and further closure in December 2020.

Visitors were able to return over the summer period with restrictions in place, which meant capacities reduced by 40% to allow safe access. All necessary adjustments were made to the operational procedures during these periods, including removing interactive experiences; cancellation of parties, group and school visits; and adopting a one way system, along with a reduction in operational staff.

- 4.5 Visitor numbers were impacted, resulting in a total 49,183 for 2020. 36% less than the previous year (9 Trading months (Apr-Dec2019)).
- 4.6 In line with our contract, a Management Fee of £127,388 was paid to PLL in 2020.
- 4.7 On top of the Management Fee, an additional level of underwriting losses was agreed. As with Freedom Leisure, actual amounts were agreed on a monthly basis, through an open book process. The cost for 2020 was £112,235. As the impact was primarily due to lost revenue, the Council was able to reclaim these monies through the Welsh Government Hardship Fund, as lost income.
- 4.8 PLL were able to draw on additional financial support from Government initiatives and received £18,750 from the 'Retail, Hospitality and Leisure Grant Fund' (RHLGF); £5,000 support grant from the 'Wales Local Tier 3 Lockdown Fund' and £94,106 from the 'Coronavirus Job Retention Scheme'.
- 4.9 Despite rigorous monitoring and cost management, at the close of this period, the outturn demonstrated an operating loss of £34,930.

4.10 Although the outturn for 2020 demonstrated a loss, the financial support provided by the Council aided PLL to reach an overall break-even position. This does not show in these figures due to differing and crossover of financial years.

4.11 During the closures, a high proportion of staff were furloughed under the Government’s Job Retention Scheme, with only a few staff retained to undertake daily building and safety checks, routine maintenance to plant and equipment and care of the animals.

As a company, PLL opted not to top up any of its workforce that were furloughed up to 100%, and therefore furloughed staff received 80% salary in line with the scheme’s parameters.

4.12 In light of the losses, a workforce planning exercise was undertaken, resulting in the reduction of operational staff from 11 FTE’s to 8.5 FTE’s and a new flexible way of working. All staff were re-trained across specific areas to allow more cover and support when needed.

A flexible team approach to operations continued into 2021, and the team will be developed further with this approach.

4.13 To maintain audience engagement and enthusiasm for visiting again, a new virtual offer, as live and recorded virtual experiences, was developed. Thousands of individuals were able to interact with the team, including school groups, corporate organisations, charities, care home residents, and even the Welsh Rugby Union. Virtual offers, along with Animal Adoption packs, are examples of two new income streams developed during the pandemic.

4.14 The shift in online bookings from 3% of visitors, up to 80%, is mirrored by a general shift to digital for most communication received. These changes continue, and PLL is launching a new booking system, website, and staff structure to meet this change in demand.

4.15 Plantasia Performance

Table 4

Plantasia	2019 (Jan – Dec) *Open from April*	2020 (Jan – Dec)
Income	£445,977	£300,202
Total Expenditure	£553,088	£462,250

NET expenditure/ Management Fee	£181,468	£127,388
Operating surplus/Loss	£74,357*	-£34,930
Total Visitors	77,509	49,183

*Operating surplus' to be shared with the Council as part of contractual arrangements, reviewed on a cumulative and average basis based upon a number of years performance.

5. National Waterfront Museum Swansea

- 5.1 The National Waterfront Museum, Swansea (NWMS), is a not-for-profit limited entity, facilitated by a public sector partnership between Welsh Government, via Museum Wales (Amgueddfa Cymru) and Swansea Council. The management is controlled by Museum Wales, within the terms of an Operational Agreement of the parties, signed in 2005.
- 5.2 Under the terms of this Agreement, Swansea Council contributes around one third of the annual revenue costs. The company follows the same financial year as the Council.
- 5.3 The company is governed by a Board of representatives of the partners, and an independent Chair. This includes three elected members of Swansea Council (currently Cllrs Robert Francis-Davies, Joe Hale and Erika Kirschner) and three trustees of Amgueddfa Cymru, with Mr Roy Phelps undertaking the role of Chair, and the secretariat being provided by a remunerated post. Day to day operational matters are monitored by a group of officers from both the Council and Amgueddfa Cymru (the Operational Review Team). Both the Board and Operational Review Team meet at least twice a year.
- 5.4 Due to the Covid-19 pandemic, the museum was closed to the public for the majority of 2020/21, as with others opening for limited periods:
- 28th August to 27th September 2020
 - 9th November to 2nd December 2020
- During these periods, operational days were revised and reduced to three days a week, when a pre-booking system was in place to manage numbers, based on risk assessments and capacity reductions.
- 5.5 Although the temporary exhibition programme continued as planned when the museum was open, there were no school visits and in line with the Welsh Government guidelines, no public events. As a result, the museum received only 2,298 visits in 2020/21.

- 5.6 A wide range of activities and learning sessions were provided online via the Amgueddfa Cymru website, which, together with enquiries and follow ups, resulted in the events, curatorial and learning staff engaging with 132,485 people in the UK and beyond through online platforms.
- 5.7 Earned Income in 2020/21 was down 40% on the previous year, due to the reduction in footfall and restricted bookings.
- 5.8 Overall income was also impacted by a reduction in the National Museum Wales Grant, which was not able to be drawn down due to reduced costs for delivery across the programming, marketing and maintenance.
- 5.9 During lockdown, a 'Lockdown Security Team' was in place each day to undertake regular checks on the building and its services, and to support the skeleton Technical Team who were supervising contractors undertaking critical work. All other staff worked from home where possible, and some front of house staff were furloughed for periods.
- 5.10 In preparation for the re-opening of the museum to the public, staff undertook detailed training in Covid-19 safe work procedures, and appropriate PPE, signage, sanitisation, cleaning regimes and one way systems were implemented.
- 5.11 For a large part of 2020/21 only emergency and minor repairs were possible under the Covid-19 restrictions, but additional ventilation systems were put in place to ensure all parts of the building were compliant with the Covid-19 guidelines.
- 5.12 Major repairs, renewals and maintenance are the responsibility of Amgueddfa Cymru/National Museum Wales, funded from the Museum's core budget and its ring-fenced Renewals & Refurbishment Fund, as required.
- 5.13 The GRAFT community garden, occupying the open area between the two wings of the museum building, established in 2018, continued to flourish, despite minimal support being possible from its regular community volunteers. In October 2020, the project won Keep Wales Tidy's Green Flag Community Award. The garden's produce continues to be used for both educational and charitable purposes.
- 5.14 The museum's major temporary exhibition celebrated the centenary of Swansea University, extended into the summer of 2021 due to the interruptions of lockdown.

5.15 National Waterfront Museum Swansea Performance

Table 5

National Waterfront Museum	2019/2020	2020/2021
National Museum Wales grant	£827,000	£504,809
Welsh Government grant	£550,000	£550,000
CCS contribution	£475,776	£491,161
Earned income	£185,704	£110,566
Furlough Grant (Coronavirus Job Retention Scheme)	N/A	£76,434
Total income	£2,038,000	£1,732,970
Staff costs	£1,254,107	£1,284,828
Repairs & maintenance	£188,399	£124,394
Other expenditure	£410,850	£247,314
Total expenditure	£1,853,356	£1,656,536
Carry forward (to)/from Renewals & Refurbishment Fund	(£184,644)	(£76,434)
Total visits	265,601 (Easter = 12 April)	In Person: 2,298 Online: 132,485

6.0 Other Partnership Facilities

- 6.1 The Council has a number of other successful partnership arrangements with leisure facilities. The most significant of these are the Swansea Indoor Bowls Centre and Swansea Tennis Centre.
- 6.2 The performance of each of these sites individually, illustrates a productive set of partnerships, with benefits to Swansea Council, our partners and Swansea's residents and visitors.
- 6.3 Each partnership operates in differently, in terms of monitoring, data collection and facility operation. The flexible approach allows each partnership to operate effectively, taking into account their individual circumstances.

Swansea Indoor Bowls Stadium

- 6.4 Swansea Indoor Bowls was established as a limited company, 8 years ago. It manages the Bowls Stadium, with a fully repairing lease agreement. They receive no subsidy and follow the same financial year as the Council.
- 6.5 For all the same reasons as other sports and leisure facilities, the stadium was only open for 9 weeks during 2020/21; during which times it had reduced capacity and restrictions in place.
- 6.6 Income streams were severely impacted, but thanks to strict controls and government grants, the outturn was a positive £10,913 surplus.
- 6.7 All staff were retained on full salary for the duration of the closures. 80% of their salaries were met by the Governments 'Coronavirus Job Retention Scheme' and the additional 20% by Swansea Indoor Bowls Ltd.
- 6.8 Swansea Indoor Bowls Ltd appointed an additional member of staff in September 2020 to assist with Covid-19 compliance.
- 6.9 Membership as at the 31st March 2021 was 487 members; a 25% decrease on the previous year. Many members renewed in support of the club and desire to return, supported by a new online payment system, accessed via the club website.
- 6.10 The Club invested in "covid-19 friendly" systems for members' safety, and introduced contactless payment card readers. It also relocated 300 lockers to the playing arena, in order to comply with social distancing rules.
- 6.11 The board continues to invest in the upkeep of the stadium and in addition to the general maintenance and regulated electrical and mechanical inspections, renewed the boundary fences of both carparks during 2020/21.

6.12 Swansea Indoor Bowls Stadium Performance

Table 6

Swansea Indoor Bowls Stadium	2019/20	2020/2021
Bowls Income	£89,479	£11,414
Bar & Catering Income	£21,905	£975
Other Income	£13,488	£82,402
Total Income	£124,872	£94,791
Staff Costs	£43,619	£40,342
Building and Maintenance	£16,318	£10,715
Other Expenditure	£79,706	£32,821
Total Expenditure	£139,643	£83,878
Total Use	59,528	5,483

Swansea Tennis Centre

- 6.13 Tennis Swansea 365 Ltd (TS365) are the operators of Swansea Tennis Centre. They operate under a fully repairing lease, with no Council subsidy.
- 6.14 TS365 deliver a sustainable business model, providing indoor, outdoor and outreach Tennis development for Swansea and neighbouring counties. The facility has historically had a thriving and busy programme, catering for all ages and abilities and considered as a Regional Performance Centre and are often used as a benchmark or case study for similar facilities across the UK.

- 6.15 TS365 operates on a financial year that runs June 2020 to May 2021.
- 6.16 Due to the Covid-19 pandemic the Tennis Centre fluctuated between full closures, outdoor courts only and the whole facility open (with restrictions) throughout 2020/21. As below:
- 22 June 2020 outdoor courts only
 - 11 August 2020 whole facility open (with restrictions)
 - 23 October two week 'Firebreak'
 - 11 November 2020 whole facility open (with restrictions)
 - 20 December 2020 whole facility closed
 - 16 March 2021 outdoor courts only
 - 3 May 2021 whole facility open (with restrictions)
- 6.17 During the pandemic, staff were furloughed during closure periods, with a skeleton staff when operational. The facility reduced opening hours and days where required, and all bookings were made via the online booking system.
- 6.18 To assist through the pandemic, TS365 received a £5k loan from the Lawn Tennis Association, which is to be paid back in 2021/22; £24k in grants from the Welsh Government and £29k from the 'Coronavirus Job retention Scheme'. These figures are included as part of the "other income" figure in Table 7.
- 6.19 Earned income was down on the previous year by 14%, but with tightly controlled expenditure, TS365 ended the year with an operating surplus of £32,667.
- It must be noted, whilst TS365 demonstrated an operating surplus, there will need to be significant investment in both marketing and outreach work in the post pandemic period, to achieve pre Covid-19 usage and revenue.
- 6.20 Usage saw a 71% decrease in comparison to 2019/20 and Ace Fitness Members (Gym Membership) reduced by 91%.
- 6.21 The centre managed to run four coaching programmes during this period, primarily on the outdoor courts. Although at reduced capacity and for shorter periods than normal, they were well received and ensured the 'learn to play tennis' programmes continued.

6.22 **Swansea Tennis Centre Performance**

Table 7

Swansea Tennis Centre	2019/20	2020/2021
Junior Course Income	£132,501	£87,652

Adult Course Income	£22,264	£6,668
Other Income	£171,929	£186,940
Total Income	£326,694	£281,260
Staff Costs	£113,310	£87,265
Repairs and Maintenance	£6,968	£5,545
Other Expenditure	£216,593	£155,783
Total Expenditure	£336,871	£248,593
Total Ace Fitness Members	1392	125
Total Usage	57,985	16,805

7.0 Monitoring Arrangements

7.1 Officers will continue to monitor these facilities and partnerships to ensure that they are complying with the terms of their individual agreements and leases, and that they continue to contribute towards the objectives of the Council's ambitions as identified in the agreed Policy Commitments. Of particular interest are the contributions made to:

- The City of Sport and Culture
- Well-being of Future Generations
- A Healthy City
- The support of the tourism economy
- Creating an Active and Healthy Swansea

8.0 Summary

8.1 This report describes the various agreements that are in place with partners operating Leisure and Cultural Services for Swansea Council. The

report highlights the rationale for the variations in the operational year, due to the differing circumstances and requirements of each partner in sustaining the operation post covid.

- 8.2 With the differing models it is also clear that a mixed economy exists, necessitating a flexible, yet performance management approach to monitoring compliance to each agreement. Measures are in place to adopt and share good practice, based on this approach.
- 8.3 This report is also a mechanism of identifying the successes and challenges faced by our partners, with a transparent approach to reporting the delivery, costs and outcomes of services delivered by third parties on our behalf.
- 8.4 It also demonstrates that the Council is committed to maintaining quality and improving services to which all partners must also commit to delivering.

9.0 Integrated Assessment Implications

9.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

9.1.1 The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

9.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

9.2 An IIA screening form has been completed, with an agreed outcome that a full IIA report is not required.

9.3 This report is for information purposes only, detailing the partners who operate leisure facilities and visitor attractions within the Cultural Services portfolio, who provide services to local people, local communities and visitors of Swansea. The report is to evidence partner performance from a financial and quantitative perspective. The monitoring arrangements that aid in producing this report continue to ensure partners are contributing towards the objectives of the Council's ambitions as identified in the agreed Policy Commitments.

10.0 Legal Implications

10.1 There are no further legal implications over and above those outlined in the body of the report and any future implications would be subject to separate reports in line with the Councils constitution.

11.0 Financial implications

11.1 There are no further additional financial implications over and above those outlined in the body of the report and any future implications would be subject to separate reports in line with the Councils constitution.

Background Papers: None

Appendices:

Appendix A - IIA Screening Form