



**REPORT of  
DIRECTOR OF NEIGHBOURHOOD SERVICES AND COMMUNITIES**

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**to  
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE  
12 MARCH 2026**

**LEISURE CONTRACT UPDATE**

**1. PURPOSE OF THE REPORT**

- 1.1 To provide Members with an update on the performance and delivery of the Leisure Management Contract, which commenced in March 2025.

**2. RECOMMENDATIONS**

- (i) That Members note the progress of the Leisure Management Contract, including the on schedule- refurbishment programme, stable membership performance, and the positive development of the social outreach programme;
- (ii) That Members note that financial performance is being delivered as set out in the contract. This includes the fixed management fee which is monitored quarterly via the Leisure Contract Partnership Board.

**3. SUMMARY OF KEY ISSUES**

- 3.1 The Leisure Management Contract commenced in March 2025. The contract includes an investment of £5.8m across the Council's leisure estate, the operation of the Council's leisure centres, delivery of health and wellbeing programmes, and a strengthened social outreach to support active lifestyles within priority communities.
- 3.2 Refurbishment works across the leisure facilities, continue to progress on time and within budget. Key milestones achieved to date include:
- completion of the expansion of the fitness suite to provide 33% larger exercise space, and the installation of the climbing walls and adventure space at the Blackwater Leisure Centre.
  - procurement and installation of new fitness equipment at the Blackwater Leisure Centre.
- 3.3 The contractor and Maldon District Council officers continue to hold weekly operational meetings and have monthly project meetings with the wider design team updates. No risks have been reported that are expected to impact delivery schedules. Performance and financial information is cascaded up to the Senior Leadership Team (SLT) on a monthly basis and the Leisure Contract Partnership Board consisting of Members, officers and Places Leisure management team continues to meet on a quarterly basis.
- 3.4 Membership numbers across the leisure centres are performing in line with contract forecast. The operator has outlined further marketing initiatives planned for the spring

period aimed at increasing community awareness and driving additional membership growth.

- 3.5 A key enhancement within the contract is the introduction of a strengthened social outreach programme designed to support health improvement and active lifestyles among underrepresented groups in the community. This element of the contract has a designated resource and has gained significant momentum, with targeted community-based activities being delivered across priority neighbourhoods. The role works in partnership with the Council's resources and Active Essex to identify venues and opportunities throughout the year. Early feedback from participants and partners is positive, and the operator is developing further outreach initiatives for the year ahead.
- 3.6 There are no financial issues to report at this stage. The contract is delivering a fixed management fee to the Council which has the added security of a parent company guarantee. This has been incorporated within the Council's Medium-Term Financial Strategy (MTFS). This arrangement minimises the Council's exposure to financial risk and allows for better financial forecasting with the MTFS. The refurbishment programme remains within the approved budget, and contract performance is in accordance with expected financial projections with year one providing for an income to the Council of £233k. The finance model for the contract is shown at **APPENDIX 1**.

#### **4. CONCLUSION**

- 4.1 Governance arrangements for the leisure contract continue to operate effectively. Regular contract management meetings are being held in accordance with the agreed framework, ensuring ongoing monitoring of performance, financial compliance, and progress against the refurbishment programme. In addition, the Leisure Contract Partnership Board, comprising representatives from Places Leisure management team, elected Members, and senior council officers, meets on a quarterly basis and provides a strategic forum for collaborative oversight and transparent reporting. This structure ensures strong accountability, supports early identification of any emerging issues, and reinforces the shared commitment across all parties to delivering high-quality leisure services for residents of the district.

#### **5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2025 - 2028**

##### **5.1 Supporting our communities**

- 5.1.1 The leisure contract is already helping to strengthen local communities by maintaining access to high quality, affordable leisure opportunities throughout the refurbishment period. Despite some temporary building disruption, the contractor has ensured continuity of provision and has actively engaged with its members to understand their needs and minimise inconvenience. The investment in modernised, more accessible facilities will support long-term improvements in health, wellbeing, and social inclusion, helping residents of all ages to lead active lifestyles.

##### **5.2 Investing in our District**

- 5.2.1 The refurbishment programme and on-going maintenance and periodical re-investment throughout the contracts term represents a significant investment in the district's public infrastructure, enhancing the quality and lifespan of key community assets. Once complete, the upgraded centres will provide modern, energy

efficient-efficient environments that reflect the Council's commitment to investing and improving the amenities available to residents.

### 5.3 **Growing our economy**

- 5.3.1 The leisure contract contributes to local economic growth by supporting employment, generating footfall, and creating opportunities for local suppliers and service providers. Refurbished, high quality-quality leisure facilities help attract visitors and encourage greater participation, which in turn supports the wider local economy.

### 5.4 **Protecting our environment**

- 5.4.1 Environmental considerations are embedded within the refurbishment works, with a focus on improving energy efficiency, reducing carbon emissions, and modernising building systems. The contractor is working to ensure that the upgraded facilities operate more sustainably, supporting the council's environmental objectives.

### 5.5 **Delivering good quality services**

- 5.5.1 The contract is performing well in its first year, with no concerns or risks identified, demonstrating strong governance via the Leisure Contract Partnership Board. Despite the refurbishment works, the contractor has maintained service standards and communicate clearly with customers. The modernised facilities, once complete, will further enhance the quality, reliability, and value of leisure services available to residents, aligning with the council's ambition to deliver consistently high quality-quality public services.

## 6. **IMPLICATIONS**

- (i) **Impact on Customers** – The refurbishment programme has inevitably resulted in some short-term disruption for customers, including temporary changes to facility access, adjusted timetables. These impacts have been proactively managed through clear communication, advance notice of changes, and the provision of alternative options wherever possible. Customer feedback continues to be monitored- closely by Places Leisure, and early indications suggest that users understand the long-term benefits of the investment and remain broadly supportive of the improvements underway.
- (ii) **Impact on Equalities** – Working collaboratively Places Leisure and Council officers have maintained a strong focus on equality considerations throughout the first year of delivery. Temporary arrangements introduced during refurbishment have been assessed to ensure they remain accessible and inclusive, with reasonable adjustments implemented where required. No adverse impacts on protected groups have been identified at this time, and the refurbishment works themselves will enhance accessibility options for exercise and activity.
- (iii) **Impact on Risk (including Fraud implications)** – There are currently no identified risks or concerns relating to contract performance, compliance, or fraud. The contractor continues to operate within the agreed governance framework, with regular reporting and management meetings in place to ensure transparency and accountability. Risks are reviewed routinely, and any emerging issues linked to the refurbishment programme are being managed effectively.

- (iv) **Impact on Resources (financial)** – The contract is performing within the expected financial parameters for Year 1 and represents a significant income to the Council over the 20-year contract term (c£500k per annum average). The refurbishment works are progressing in line with the approved budget, and no financial pressures or variances have been identified at this stage. Ongoing monitoring will continue to ensure that both operational costs and capital investment remain aligned with contractual commitments and support the Council's MTFS.
  
- (v) **Impact on Resources (human)** – There are no significant human resource implications for the Council arising from the contract currently. Places Leisure has maintained appropriate staffing levels to support service continuity during refurbishment. Places Leisure currently employ 66% staff that reside within the district (c120-150 staff dependent on season). The addition of a designated community staff member as part of the contract is proving successful in the initial months of the contract. Council officer time continues to be required for contract monitoring, but this remains within anticipated.
  
- (vi) **Impact on Devolution / Local Government Reorganisation** - There are no direct implications for local government reorganisation arising from the operation of the leisure contract in Year 1. The contract remains fully aligned with current governance structures.

Background Papers:

None.

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