

106 RYE LEISURE CENTRE

Representatives from RTC and RDC – and William Coatesworth (WC) – met on 26 January 2023 to consider the viability, condition and future of the Rye Leisure Centre – particularly the Pool.

WC advised that he had received cost projections from Freedom Leisure (FL) and these were very close to the estimates he had modelled independently based on discussions with those with industry knowledge and local information.

The independent modelling of the income and expenditure of the site concurs with FL's projections indicating that, with current energy prices, the site will have an annual deficit of c£200k-£250k (disregarding any one-off structural or maintenance costs required to re-open the pool).

WC added that the Centre had, historically, run at a significant deficit. While this annual deficit had been decreasing, it increased significantly in recent years through a combination of reduced income during the pandemic and substantial rises in energy costs.

WC noted that while modelling was based on the current high levels for energy pricing, the increased energy prices are not the only cause of the deficit and even with specific support to help offset these increased costs, or a return to previous energy pricing levels, the Centre would be expected to continue to run at a significant annual deficit. FL's projections show that c70-80% of the deficit comes from the operation of the pool, including the staffing levels, maintenance and energy costs required to maintain this over and above the income it generates for the Centre.

WC outlined the potential implications of a number of upside and downside scenarios on the annual deficit – ranging from a downside scenario reflecting further reduced usage of the Centre – to a potential upside reflecting increased usage and income levels through enhanced focus, facility offerings and marketing.

While it was acknowledged that steps could be taken that would increase the viability of the Centre, WC highlighted that even under this scenario (and with support made available for the current high energy costs*) the Centre deficit is likely to be in the region of c£50k-£100kpa. Furthermore, this would be unlikely to be achieved over the short-term (1-2 years) and the site would continue to run at a higher deficit over this time. Further inflationary pressures or unplanned maintenance would increase this forecast.

*The Government has announced that energy cost support for business will reduce from April 2023. No exemption has been made for public swimming pools.

RDC's property maintenance manager has inspected the Centre. There are a number of age-related issues that will need to be attended to in the near future – and it is known that the roof requires further attention.

RTC is awaiting the outcome of a discussion between RDC and FL concerning FL's future intentions for the site. Once this is known there will be a further discussion – which, depending on the outcome, could include more detailed consideration of some form of community management of the Centre.

RF 31.1.23