

City of London Corporation Committee Report

Committees: Sports Sounding Board – For Information/ Discussion Community and Children’s Services – For Information/ Discussion	Dated: 18/06/2025 19/06/2025
Subject: Golden Lane Leisure Centre Management Options	Public report: For Information/Discussion
This proposal: <ul style="list-style-type: none"> • Delivers Corporate Plan 2024–29 outcomes 	Diverse Engaged Communities Providing Excellent Services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	NA
What is the source of Funding?	NA
Has this Funding Source been agreed with the Chamberlain’s Department?	NA
Report of:	Judith Finlay, Executive Director of Community and Children’s Services
Report author:	Greg Knight, Head of Commissioning, Community and Children’s Services

Summary

The Golden Lane Leisure Centre (GLLC) management contract, held by Fusion Lifestyle, has been extended until 31 March 2026. It has a further option to extend until 31 December 2026. A new management contract is required upon expiry, following the refurbishment of GLLC.

The Management Options Report in Appendix One explores the financial and non-financial considerations of a range of options for the future management of GLLC. The report concludes that the continued outsourcing to a leisure operator is the most advantageous option. This is because it is the most financially beneficial, the simplest and quickest to implement, and offers beneficial risk transfer to the operator.

For these reasons, the Department will complete a competitive procurement and test the market to identify the most advantageous tender. This approach provides the opportunity for an in-house model to be developed and evaluated transparently

against bids received from the external provider market, if it is identified as a strategic priority.

Appendix Two provides a high-level overview of the options for providing the Sports Development Service. This report proposes a balanced delivery model: management of the GLLC contract will be delivered from the centre, and the City's Sport Team will lead on delivery across the Square Mile and community.

Recommendations

Members are asked to:

- Note the approach to outsource the management of GLLC to a leisure operator
- Note the proposed inclusion of the Sports Development Service as part of the management contract
- Note the contents of the Appendices.

Main Report

Background

1. The GLLC management contract is held by Fusion Lifestyle, a registered charity that provides public sector sports and leisure management. The current contract term has been extended until 31 March 2026. It has a further option to extend until 31 December 2026.
2. Upon expiry of the existing contract, GLLC is scheduled to undergo a significant refurbishment programme, funded by the Community Infrastructure Levy. The scope of the refurbishments includes repairs to the roof, the replacement of mechanical and electrical equipment, the decarbonisation of the site, internal refurbishments, external repairs and the resurfacing of the tennis courts.
3. Initial engagement has been completed, with five focus groups delivered and 440 survey responses received, of which 35 are from children and young people. Findings will be used to inform the opportunity report, refurbishment designs and the management contract service specification.
4. In addition to the management of GLLC, Fusion Lifestyle is currently commissioned to deliver a Sports Development Service. The service aims to provide a range of participation opportunities that target key groups such as children and young people – including those with special educational needs and disability (SEND) – but also disabled residents, and residents aged over 50 years, through delivery of the Young at Heart programme. Other initiatives include the London Youth Games, Mini Marathon, holiday programmes, and volunteering opportunities at the London Marathon. Activities take place at GLLC and in the wider community.

5. The Sports Development Service contract effectively funds the position of a Sports Development Manager, who is responsible for coordination of the programme.
6. In 2023, the Policy and Resources Committee agreed to a new Sport Strategy for the Square Mile which sets out a vision to make the City a global destination for sport by: investing in sport facilities; activating public spaces; celebrating the positive impact of sport; enticing high-quality sport events; and supporting community sport. Funding was allocated to support the delivery of the strategy in the first three years from the Policy Initiatives Fund. Since then, a Sport Strategy Officer has been appointed to lead on facility and event provision, while a Community Sport Officer was appointed to support community sport events and initiatives across the Square Mile. These two positions make up the Sport Team which is overseen by the Head of Sport. A Member Sport Sounding Board was created to oversee the progress of delivering on the objectives of the Sport Strategy, chaired by the Lead Member for Sport, a position appointed by the Policy and Resources Committee.

Current Position

7. A detailed Management Options Appraisal Report (Appendix One) has been completed by The Sports Consultancy. The report appraises the financial and non-financial considerations for a range of options for the future management of GLLC.
8. The financial forecasts provided within the Options Appraisal are based on the current facility mix. There may be scope for the facility mix to change as part of the refurbishments, which could impact the associated financial projections. Regardless, the principles underpinning the financial assessment remain consistent when options are compared against each other. The design options themselves, and associated revenue forecasts, will be presented to members of Community and Children's Services Committee for decision.

Options

9. The Management options for GLLC presented in Appendix One include:
 - Option A: Outsourcing to a leisure operator (retendering of the current management arrangement)
 - Option B: Outsourcing to a leisure operator under an Agency Model arrangement
 - Option C: In-house management
 - Option D: Establishing a local authority trading company (Teckal)
 - Option E: Establishing a new leisure trust
 - Option F: Asset transfer.
10. The options for delivering the Sports Development Service are set out in Appendix Two, which include:
 - Option A: Outsourced delivery as part of management contract

- Option B: In-house management.

Proposals

11. The options appraisal concludes that the continued outsourcing to a leisure operator (either through a traditional management contract or a management contract under the new Agency Model) is the most advantageous. This is because it is the most financially beneficial, the simplest and quickest to implement, and offers the greatest level of risk transfer. This is the recommended approach, with the preferred option to be finalised at procurement stage.
12. This approach provides the opportunity for an in-house model to be developed and evaluated transparently against bids received from the external provider market, if this is a strategic priority.
13. It is important that the newly refurbished GLLC should continue to play a significant role in delivering sports opportunities, as it is key to the purpose of the centre. Notable insight, gathered as part of the initial engagement (Appendix three), which supports this position, is summarised below:
 - When asked what activities people would like to see following the refurbishment of GLLC, sports featured prominently in participants' responses. Swimming and aquatic (22%), racket sports (19%), and combat and dance sports (11%) were the most popular options.
 - 'Limited or restrictive class offering' was the main reason (22%) cited as preventing people from doing more exercise.
 - It was suggested to introduce taster sessions and open days for non-users to experience the centre's offerings firsthand.
 - Expansion of the children's facilities, such as soft play and junior fitness, was suggested to attract families.
 - There is demand for both boys' and girls' football activities, including the establishment of a team.
 - Children and young people identified inclusive activities (including for those with SEND), group sessions, opportunities for shared experiences, and social connections as a priority.
 - Additional inclusive sports opportunities for children and young people such as trampolining, cycling, water polo and yoga were identified as a priority.
 - There is a demand for teen-specific opportunities at the centre.
14. It is proposed that the Sports Development Service should remain a requirement, to be delivered from GLLC. It is recommended that the City's Sport Team remain responsible for leading on the delivery across the Square Mile and within the community.

Key Data

15. There is no data related to this report.

Corporate & Strategic Implications

16. **Strategic implications** – The decision to refurbish GLLC is completed in the context of delivering several strategies, notably the City of London Corporation's Global City of Sport: A Sport Strategy for the Square Mile 2023–2030, Joint Local Health and Wellbeing Strategy 2024–2028, and Our Corporate Plan 2024–2029. The future management arrangements will help to deliver the Corporate Plan outcomes of Diverse Engaged Communities and Providing Excellent Services.
17. **Financial implications** – The revenue implications associated with the future management options of GLLC are presented within Appendix One.
18. **Resource implications** – The resource implications have been considered within the Options Appraisal. The future provision of the Sports Development Service, including the ways of working and designation of responsibilities, will be considered in full.
19. **Legal implications** – Legal implications are to be considered throughout all stages for the future management of GLLC.
20. **Risk implications** – Risks will be identified and managed through the GLLC Project Board.
21. **Equalities implications** – Equalities implications will be considered throughout the project, including through the completion of an Equality Impact Assessment.
22. **Climate implications** – Climate implications are being addressed through the representation of the Energy Team at the GLLC Refurbishment Project Board, to ensure consideration of the City's Climate Action Strategy. This will continue to be considered within the management contract and operation of GLLC.
23. **Security implications** – None.

Conclusion

24. This report sets out the rationale for the continued outsourcing of GLLC to a leisure operator. It provides the proposed approach to delivering the Sports Development Service and participation opportunities from GLLC and across the City.

Appendices

- Appendix One – Golden Lane Leisure Centre Management Options Appraisal Report

- Appendix Two – Golden Lane Leisure Centre Management Options Appraisal Sports Development
- Appendix Three – Golden Lane Leisure Centre Engagement Report

Background Papers

- Golden Lane Leisure Centre (GLLC) Refurbishment – Gateway 2 Report. Community and Children's Services Committee (19/06/2025)

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