

Hyndburn Leisure : Subsidy Control Assessment

Project name:	Hyndburn Leisure
Project description:	Grant of two leases at less than best consideration to Hyndburn Leisure. Write off of trade debts owed to the Council by Hyndburn Leisure. Payment of annual subsidy to Hyndburn Leisure for 2026/27
Officer completing this form:	Martin Dyson: Executive Director (Finance) Jane Ellis: Executive Director (Legal & Democratic Services)
Date:	3rd March 2026

Section A. Identification of the Subsidy

1. Please set out the activities that will be funded by a subsidy.
2. Set out the total value of the subsidy. Please specify any other public funds that will be public funding towards the activity (including what the basis of the funding is i.e. a xx grant).

The proposed subsidy comprises the following:

- i. The grant of a lease of Hyndburn Leisure Centre at less than market value – the market rental value of the lease has been determined to be £40,000 per annum for a 30 year term, but it is proposed to grant the lease for a peppercorn rent. The gross cash equivalent is £1,200,000. The subsidy has been discounted in accordance with the Government’s Subsidy control guidance to reflect receipt of the subsidy over a 30 year period, and the gross cash amount of the subsidy is £625,921.29;
- ii. The grant of a lease of the Cath Thom Leisure Centre at less than market value – the market rental value of the lease has been determined to be £20,000 per annum for a 30 year term, but it is proposed to grant the lease for a peppercorn rent. The gross cash equivalent is £600,000. The subsidy has been discounted in accordance with the Government’s Subsidy control guidance to reflect receipt of the subsidy over a 30 year period, and the gross cash amount of the subsidy is £312,960.64;
- iii. The write-off of trade debts of £1,624,200 owed by Hyndburn Leisure to the Council – this comprises some of HL’s salary costs from previous financial years that HL was unable to reimburse the Council for as part of the ongoing payroll arrangements.
- iv. The payment of £500,000 annual subsidy to Hyndburn Leisure in April 2026 for the 2026/27 financial year in accordance with the Council’s medium term financial strategy.

The subsidy is intended to support the activities and running costs of Hyndburn Leisure in providing public “pay and play”, community sports and leisure facilities in Hyndburn. These activities include:

- the operation of Hyndburn Sports Centre
- the operation of Mercer Hall Leisure Centre, Great Harwood
- the operation of Bank Mill House, Great Harwood
- the operation of the Cath Thom Leisure Centre, Great Harwood
- a range of programmes aimed at tackling poverty and health inequality in the Borough (such as: school holiday activity and food programme, free family teatime programme, cardiac rehabilitation programme and a healthy weight programme).

The Council considers Hyndburn Leisure to provide “services of public economic interest” (“SPEI”) and has already provided subsidy to Hyndburn Leisure up to the £725,000.00 SPEI threshold pursuant to section 38 Subsidy Control Act 2022, having already paid subsidy to Hyndburn Leisure as follows:

2022/23 – the sum of £ 235,000.00
 2023/24 – the sum of £ 490,000.00
 2024/25 – the sum of £1,000,000.00
 2025/26 – the sum of £ 700,000

Hyndburn Leisure is currently in receipt of the following additional grants from public funds:

1. The Council passport over grant of £70,000 it received in 2025/26 for the Health Weight and Family Programme. The funds the delivery of this project by Hyndburn Leisure and is not a subsidy.
2. The Council passport over grant of £76,817 it received for 2025/26 for the Together and Active Future Programme. The funds the delivery of this project by Hyndburn Leisure and is not a subsidy.

A subsidy control assessment is therefore required in respect of the proposed financial support.

Section B. Application of the TCA principles for each subsidy

(Please complete a separate table per subsidy)

(Please refer to the statutory subsidy control guidance when completing this assessment. You are likely to need legal and financial advice and remember that you should evidence what you say where possible)

Step1: identify the policy objective, ensuring it addresses a market failure or equity concern, and determine whether a subsidy is the right tool to use

The subsidy control principles that apply here:

Principle A – the policy objective	The subsidy should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale (such as local or regional disadvantage, social difficulties or distributional concerns).
Principle E – minimise distortion	The subsidy should be an appropriate policy instrument for achieving the specific policy objective and that objective cannot be achieved through other, less distortive means.

How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
<p>Principle A</p> <ul style="list-style-type: none"> Using evidence, establish the existence and significance of the market failure and / or inequality the subsidy seeks to address Provide details of the specific policy objective that you hope to achieve with the subsidy and how it addresses the market failure or inequality you have identified The policy objective can address either market failure or inequality, or both. The policy objective should be a precise as possible, including targets and timeframes Clearly state the desired outcomes of the subsidy and identify how the impact of the subsidy will be evaluated If the subsidy addresses “market failure”, you must ensure you comply with the Government’s statutory subsidy control guidance <p>Principle E</p> <ul style="list-style-type: none"> Justify why a subsidy is the most appropriate instrument for addressing the identified policy objective and explain why other non-subsidy routes have not been chosen, such as <ul style="list-style-type: none"> Direct provision of goods or services by the Council 	<p>The proposed subsidy has an equity rationale.</p> <p>Hyndburn is the 14th most deprived area out of 317 district and unitary councils in England by rank of average measure. Around 34.3% of the local population live in the 20% most deprived areas in England, against a national average of 21.7%. Child poverty is 15% above the national average, yet 20% of the population are under 16 years of age. The number of dependent children under 16 living in absolute low-income families is 11% higher than the national average.</p> <p>As such Hyndburn is an area with a high level of health inequality, whilst many of the population lack the disposable income to access private sport and health club provision. For example:</p> <ul style="list-style-type: none"> - the level of obesity in adults is 71.7%, against a national average of 64% - the level of obesity in children is 23.5%, against a national average of 22.7% - life expectancy is below the national average for both men and women and, in the Borough’s most deprived wards, is 11.8 years below average for men and 10.3 years below average for women - the rates of type 2 diabetes and dementia are above the national average - hip fractures in the over 65’s are above the national average (at 673 per annum compared to a national average of 558) <p>Moreover, activity levels for adults and children are below the national average and have declined further since the Covid pandemic. In 2018/19 62.8% of adults were judged to be active, against a national average of 63.3%, but by 2022/23 this had declined to 57% against a national average of 63.4%. In children the figure was 45.9% in 2018/19 with a national average of 46.8%, but by 2022/23 this had declined to only 25.3% against a national average of 47%.</p>

How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
<ul style="list-style-type: none"> ○ Loans or equity investment on commercial terms • Explain why the next-best alternative to a subsidy would not achieve the policy objective 	<p>The Council's corporate strategy 2025-2029 identifies the improvement of health and wellbeing, and the reduction of health inequality, as a key priority and says that the Council will seek to work with those addressing local health priorities.</p> <p>The Council has considered the following options:</p> <ul style="list-style-type: none"> • requiring HL to repay the trade debts in annual instalments over a period of years. It has been determined that this would have a negative impact on the policy objective as it would have a detrimental effect on Hyndburn Leisure's financial position, leading them either to raise prices, reduce services or need extra annual subsidy from the Council in order to continue trading; • requiring HL to pay a market rent or a reduced level of rent for the leases of Hyndburn Leisure Centre and the Cath Thom Leisure Centre. It has been determined that this would also have a detrimental effect on the policy objective as the negative impact on Hyndburn Leisure's financial position would require them either to raise prices, reduce services or need extra annual subsidy from the Council in order to continue trading; • reducing the level of annual subsidy to less than £500k. It has been determined that this would require HL to reduce its costs by increasing fees and / or reducing the services it provides, both of which would be contrary to the policy objective. <p>HL has set its budget for 2026/27 to include the current level of borrowing, with a £500k subsidy from the Council. Their current budget forecasts a small operating deficit, which HL aims to close, to balance the budget. Additional financial demands (such as a requirement to pay rent on the Sports Centres, or to repay the trade debt) would lead to additional subsidy being required to cover the larger deficit budget that they would create.</p> <p>The proposed subsidies will enable Hyndburn Leisure to continue to provide its existing leisure, health and wellbeing offer in the Borough in venues that are locally accessible. Unlike private sector providers, Hyndburn Leisure offers pay and play participation and membership rates that are deemed to be accessible to those on lower incomes. The beneficial impact of Hyndburn Leisure's activities is set out in detail in the impact report attached to this assessment.</p>

Step 2: ensure that the subsidy is designed to create the right incentives for the beneficiary and bring about a change in behaviour

The subsidy control principles that apply here:

Principle C – additionality	The subsidy should be designed to bring about a change in the economic behaviour of the beneficiary. That change should be conducive to achieving the specific policy objective and something that would not happen without the subsidy
Principle D - input	The subsidy should not normally compensate for costs the beneficiary would have funded in the absence of the subsidy

How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
<p>Principle's C and D</p> <ul style="list-style-type: none"> • Describe what is realistically most likely to happen, in both the short and long term, if no subsidy is awarded • What are the types of costs the subsidy is to be used to support ? • Describe how the subsidy will lead to a change in the economic behaviour of the beneficiary, such as: <ul style="list-style-type: none"> ○ a project or activity taking place that wouldn't otherwise have gone ahead (or at least not in a way that benefits a certain area or group of people) ○ measurable improvement in the quality of outputs or outcomes ○ an increase in the scale or scope of a project or activity e.g. to extend the number of [people benefiting or the area covered ○ a project or activity occurring significantly earlier than it would otherwise have done • Describe how the subsidy is conducive to achieving the policy objective 	<p>Hyndburn Leisure's existing lease of Hyndburn Leisure Centre is at nil rent, as this was determined to be the market value of the proposed lease by an independent, third party valuation in 2002 at the time of grant. Seeking to charge the assessed rent level for the new leases would therefore be an additional cost to HL, that it is not currently required to pay</p> <p>Without the proposed subsidy Hyndburn Leisure's current sport and leisure offer could not continue. Hyndburn Leisure would have to quickly take steps to maintain its financial viability which may well include increasing prices, reducing opening hours, reducing the scope of services offered, closure of one or more facilities, or some combination of all of these. Such steps would significantly impair the provision of public sport and leisure facilities in the Borough, to the detriment of efforts to reduce the significant health inequalities faced by the Borough. In addition to some of these measures, Hyndburn Leisure would also require additional annual subsidy payments from the Council to enable it to pay the rent and or repay the trade debts.</p> <p>Hyndburn Leisure's operating costs could not be funded by Hyndburn Leisure in the absence of the proposed subsidies, which may impact its financial viability, which would in turn have a significant impact on achievement of the policy objective.</p>

Step 3: consider the distortive impact the subsidy may have and keep this as low as possible

The subsidy control principles that apply here:

Principle B - proportionality	The subsidy should be proportionate to the specific policy objective and limited to what is necessary to achieve it
Principle F – minimise distortion	Whilst achieving the policy objective, the subsidy should be designed to minimise any negative effects on competition and investment within the UK

How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
<p>Principles B and F</p> <p>Show how the subsidy is proportionate to your policy objective.</p> <p>Show how the subsidy has been designed to minimise any negative effects on competition and investment in the UK whilst still meeting the policy objective. This should include details of how you have considered the following subsidy characteristics:</p> <ul style="list-style-type: none"> • form of subsidy (loan, grant etc) • breadth of beneficiaries and the selection process 	<p>In 2008/09 Hyndburn Leisure received £1.2 million in grant funding from the Council. As part of its response to the Government's austerity measures, the Council encouraged Hyndburn Leisure to become financially self-sufficient and, by 2021/22 the subsidy had reduced to nil. Since then, the HL has faced significant financial pressures in common with leisure providers nationally. These cost pressures include:</p> <ul style="list-style-type: none"> - Increased energy costs (an increase of 590% between 2019/20 and 2024/25) - Increased staffing costs (an increase of 17% between 2019/20 and 2024/25) - Inflation rate increases leading to higher supplier, maintenance and repair costs - Increases in irrecoverable VAT

How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
<ul style="list-style-type: none"> • size of subsidy • subsidy ratio • time period of the subsidy • nature of costs covered • performance criteria • ring-fencing • monitoring and evaluation • characteristics of the subsidy <p>Note: it isn't enough to simply describe the subsidy characteristics. You must explain how these contribute to proportionality and / or minimising market distortion.</p>	<p>In addition, the Hyndburn Leisure has lost income as a result of the partial closure of Mercer Hall Leisure Centre. In 2019/2020 HL made a £30k operating profit (before central costs) at Mercer Hall. In 2020/2021 the Council provided a covid support payment to support the impact of the pandemic on operations. From 2021/2022 to 2025/26 the cumulative cost to operate Mercer Hall (before central costs) was £576k.</p> <p>These cost pressure have resulted in a need for subsidy, with:</p> <ul style="list-style-type: none"> • £235k being paid by the Council in 2022/23 • £490k being paid in 2023/24. • £1,000,000 being paid in 2024/2025 • £700,000 being paid in 2025/26 <p>The proposed further subsidies are required to put HL on a stable financial footing for the future and to secure, as far as possible, the ongoing provision of community leisure services in the Borough, especially given the financial uncertainty created by the proposed local government reorganisation in Lancashire. The proposed subsidy is intended to enable affordability levels, opening hours and service provision to be maintained at the current level. It is considered that this will support the Council's objective of supporting affordable and locally accessible health and wellbeing provision to help address the health inequalities in the Borough.</p> <p>Public pay and play sports and leisure facilities are widely recognised as being services of public economic interest that are likely to require public subsidy in order to be viable. It is common for leisure trusts to receive (often significant) local authority grant funding.</p> <p>The above demonstrates that the level of subsidy is proportionate to the Council's policy objective and does not exceed the amount reasonably required by Hyndburn Leisure to enable it to continue to maintain the current level of service. The Council has not sought to meet the entirety of the Trust's funding gap and has required the Trust to find in-year savings and efficiencies over the next few years as part of its medium term financial strategy.</p> <p>In March 2025, Hyndburn Leisure set a budget with a forecast deficit of £0.7million. There was a reduction in the subsidy requested from £1m in 2024/2025 to £700,000 in 2025/2026 plus a forecast increase in annual attendances from 493,559 in 2024/2025 to 578,000 in 2025/2026. The subsidy level is predicted to reduce further in 2026/27.</p> <p>Hyndburn Leisure has taken active steps to reduce its operating costs and increase its income from other sources. For example:</p> <ul style="list-style-type: none"> • Late in 2024/2025 Hyndburn Leisure took over responsibility for procuring their own energy costs and were able to negotiate substantially reduced rates for the Leisure centres than had been possible through the Councils contract. This resulted in a reduction in the Kilowatt charge rate and the VAT rate, which has enabled savings of almost £300,000 per annum. • As all costs have risen with inflation Hyndburn Leisure have also renegotiated several of their other premises and supplies and services contracts and set a further savings target to be achieved in year to ensure the subsidy would be reduced from 2024/2025. • The opening of the Cath Thom Leisure Centre in October 2025 will also contribute towards increased attendances although in the first six months of operation the centre is not expected to make a financial surplus.

How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
	<ul style="list-style-type: none"> HL has an annual savings and growth plan and has demonstrated a year on year growth in trading income – 2023/24 - £2.63m, 2024/25 - £2.8m, 2025/26 - £3.15m (forecast), 2026/27 - £3.86m (budget). This has enabled the Council to reduce the annual subsidy payment. <p>The proposed annual subsidy in future years continues the year on year reduction since 2024/25, as follows:</p> <ul style="list-style-type: none"> 2026/2027 - £500,000 2027/2028 - £350,000 <p>The future years financial targets are linked to targets for improved attendance figures that will meet the policy objectives and return a reduced subsidy impact of £2.04 per visit to £0.50 per visit in 2027/2028.</p> <p>In addition, Hyndburn Leisure have agreed to continue funding the leisure passport initiative out of their own resources and to carry the cost of subsidising school holiday swimming sessions and funding armed forces discounts, rather than seeking to recover the cost of these from the Council. These matters will be built into the subsidy agreement between the Council and Hyndburn Leisure.</p> <p>Furthermore, conditions will be attached to the write-off of the trade debt as follows (and compliance with the same will be included in the subsidy agreement to be entered into with HL, subsequently monitored and reported on:</p> <ul style="list-style-type: none"> That the Council will require a statement of affordability from HL that will confirm their future ability to repay any debt or loans raised after 01/04/2025. This statement will be required to be confirmed by HL’s appointed external accountant / auditors. To enable HL to become less reliant on the Council for services such as payroll and utilities, the Council will require HL to make their own arrangements for procuring these services independently. It would be expected that a reasonable time for this would be within six months of this decision. That all future annual subsidy payments to HL will be agreed as part of the Councils budget process and paid at the beginning of the financial year to assist HL in managing its cash flow.

Step 4: carry out a balancing exercise, weighing the likely harms of the subsidy against its expected benefits

The subsidy control principles that apply here:

Principle G	The subsidy’s beneficial effects (in terms of achieving the specific policy objective) should outweigh any negative effects, including in particular, negative effects on competition and investment within the UK, and international trade and investment
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How does the subsidy comply with these principles?	Response to the principles (including references to supporting attachments)
<p>Set out details of the anticipated negative effects of the subsidy, the likelihood they will materialise and the extent of the harm if they do. Do not downplay the possible harms and recognise that all subsidy has the potential to distort competition and investment.</p> <p>Identify any:</p> <ul style="list-style-type: none"> • negative effects on competition and investment within the UK • negative effects on international trade and investment • negative geographical impacts • negative distributional impacts <p>Set out the benefits of the subsidy in relation to the specific policy objective.</p> <p>Explain why you consider that the negative effects are outweighed by the positive ones</p>	<p>As a local provider of leisure services, the proposed subsidy to Hyndburn Leisure will not have an effect on trade or investment between the UK and the EU. Similarly, there will not be a distortive effect within the UK as the majority of customers live within the Borough or very close by.</p> <p>Hyndburn Leisure has over 5,400 active members at their Hyndburn and Mercer Hall Leisure Centres (including Feel Good members). Mapping of members showed that 87% of the total live within the Hyndburn local authority area.</p> <p>Hyndburn Leisure has over 6,100 active members at Hyndburn Leisure Centre, The Cath Thom Leisure Centre and Accrington Academy (Fitness, Gymnastics and Learn to Swim members combined). Mapping of members showed that 87% of the total live within the Hyndburn local authority area.</p> <p>The proposed subsidy is considered to have minimal impact upon competition and investment, regionally or more locally. Those who use community leisure facilities are considered to attend facilities within reasonable travelling distance. As such the proposed benefits of supporting achievement of the policy objective are considered to easily outweigh any negative effect upon competition.</p>

Appendix: Hyndburn Leisure Impact Report



Hyndburn
Leisure

ANNUAL IMPACT REPORT

2024/2025



Foreword from our Chair & Chief Executive



Ciaran Wells,
Chair of the Board



Lyndsey Sims,
Chief Executive of
Hyndburn Leisure

Hyndburn Leisure is committed to improving our community. As a charitable organisation, we ensure that every penny we make goes back into local facilities like gyms, community centres, and swimming pools, or to create new programmes that communities want and need, supporting people to lead healthy, happy lifestyles.

We don't have shareholders, and we're not a private business. We work with a range of stakeholders and partners, including Hyndburn Borough Council, listen to our communities, and are run by a Board of Trustees from the local community who all give up their time voluntarily to govern Hyndburn Leisure in pursuit of its objectives and mission.

As we reflect on the past year, we are reminded of the strength, adaptability, and commitment that define our organisation. This Impact Report serves not only as a record of our achievements and challenges but also as a testament to the collective efforts of our team, partners, and stakeholders who contributed to our continued progress.

In a landscape marked by both uncertainty and opportunity, we remained focused on our mission, prioritised innovation, and upheld the values that guide our work. From key milestones reached to the lessons learned along the way, this report captures the momentum we've built and the foundation we've laid for the future.

We invite you to explore the highlights of the year, each page reflecting the hard work, strategic thinking, and collaboration that drive us forward. As we look ahead, we do so with renewed purpose, confident in our ability to navigate change and pursue excellence in all that we do.

Thank you for being part of our journey.

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Our mission, vision and values

Mission: *We inspire people to live healthier, happier lives through leisure, sport and culture – and help make our community a better place for everyone.*

Our mission statement is a living, breathing thing; an approach that underpins every aspect of our work. We want to ensure that our team members can talk about our mission with confidence, and we aspire for it to be reflected clearly in the experiences and testimonials of our customers. It is at the root of all processes and decisions to keep us focused – and to keep us accountable. As such, we've worded it in a way that's direct, impactful, and easy to remember.

We know that getting people involved in physical activity, sport and culture means people are more active, which in turn leads to better health. People who engage in leisure and cultural activities also feel more connected to their community, which brings a myriad of individual and social benefits too. When we say it transforms lives, we really mean it.

Vision: *Improving health – Building community – Transforming lives*

Our vision is unapologetically ambitious. It's a statement of intent: where we want to be; where we see our future. Although it's a high-level statement rather than a nuts-and-bolts one, there are some clear goals underneath it. Some of our desired outcomes are measurable; some less so. For example, we want to narrow the gap between physical activity levels in Hyndburn compared

to the England average and reduce health inequalities. We want members of our community to have access to high-quality, great value facilities and to make healthier choices like walking and cycling. We want our borough to feel vibrant, distinctive and prosperous.

We're certain about one thing: that there's no such thing as a small goal. Every little step forward helps to add up to the big picture of individual and community transformation.



Our values:

When we talk about values, we mean the core of who we are as an organisation and what we believe in. Like our mission and vision, they help to guide our work and our plans for the future.

As such, they provide an effective 'sense check'. Does everything we're planning fit with our values? If not, we've strayed too far from our central mission.

Where you'll see our values in action:

- In our recruitment processes
- In our employee appraisals and training
- In our dealings with partners and stakeholders
- In our internal and public-facing communication
- On our website and social media feeds
- In every customer interaction



Aspire

WHAT WE MEAN

- Keep learning
- Seek out opportunities
- Set goals & strive to achieve them
- Be forward-thinking
- Make a difference



Inspire

WHAT WE MEAN

- Be open, positive and dynamic
- Develop others
- Show by doing
- Share successes
- Take part and take others with you



Unite

WHAT WE MEAN

- Community comes first
- Values others' opinions and efforts
- Be actively inclusive
- Work with empathy and trust
- Believe we can do more together

Our strategic pillars and themes

We have four major pillars to our strategy: People, Provision, Partnerships and Performance. The pillars identify what we'll do. We also have ten delivery themes, each of which identifies how we'll do it.

Our People covers our aspiration to improve health and wellbeing for everyone in Hyndburn. 'Everyone' means all ages, all demographics, with a particular focus on positive experiences for young people. 'People' also includes our employees. Our team is our greatest asset, and at the forefront of delivering our vision. It's vital that we support them to feel healthier, more connected, and valued because that's the best way to achieve our wider goals.

Our Provision covers our leisure, culture and health provision - what it looks like, what it feels like, and how it reflects the wants and needs of the people we serve. We'll continue to be ambitious about the quality of the services we provide while still ensuring that our offering is put together in a 'bottom-up' way i.e. by listening, reflecting and adapting to our community.

Our Partnerships covers the connections we're building, from grassroots community groups to national funders. It's through uniting - locally, regionally, and nationally. We take an active approach to building relationships, and we're always on the lookout for opportunities that allow us to maximise or share resources. We talk clearly about what we're doing and looking for and we're heavily invested in our communities, so our existing networks are strong. However, we're not complacent - we know that relationships require care and attention in order to endure and thrive.

Our Performance is largely about how we are supporting more people to participate in leisure and cultural activities and our financial sustainability, especially in the context of providing sustainable, high-quality leisure, culture, and health provision. We aim to embed a positive, performance culture across the organisation and are working with industry experts to benchmark our performance against others and to identify further opportunities to improve. We remain focused on ensuring that we are capturing and sharing the stories that celebrate personal and community-wide achievements and can inspire others.

We have 10 key themes through which we are working to transform our vision into a reality.

- 1 An active, healthy start
- 2 An active, healthy life
- 3 Culture
- 4 Community development
- 5 Facility development
- 6 Environmental sustainability
- 7 Hospitality
- 8 Digital
- 9 Workforce
- 10 Marketing and engagement

A delivery plan has been produced for each theme. These plans are refreshed every year based on our current position, challenges, opportunities, and goals. Key metrics are also tracked and analysed, so that we can clearly demonstrate improvements and, more importantly, the outcomes that our customers are experiencing, which are shared in this annual impact report.



Our People

At the heart of our organisation is a dedicated, passionate, and resilient workforce that continues to go above and beyond in delivering meaningful, high-quality experiences for our customers. This year, more than ever, our people have demonstrated the strength of teamwork—supporting one another, adapting swiftly to challenges, and maintaining an unwavering focus on improving health and wellbeing in our communities.

From our frontline staff to our behind-the-scenes teams, collaboration remains one of our greatest strengths. We take pride in the way our people work together with professionalism, empathy, and purpose. Whether responding to operational pressures or innovating new ways to engage with our communities, our teams have consistently risen to the occasion with determination and unity.

Our workforce is united by a shared commitment to providing excellent customer experiences. Every interaction, whether in a leisure centre, at a community outreach event, or through a wellbeing programme, reflects our core values. Staff have played a key role in ensuring that every person who engages with us feels supported in their journey toward better health and wellbeing.

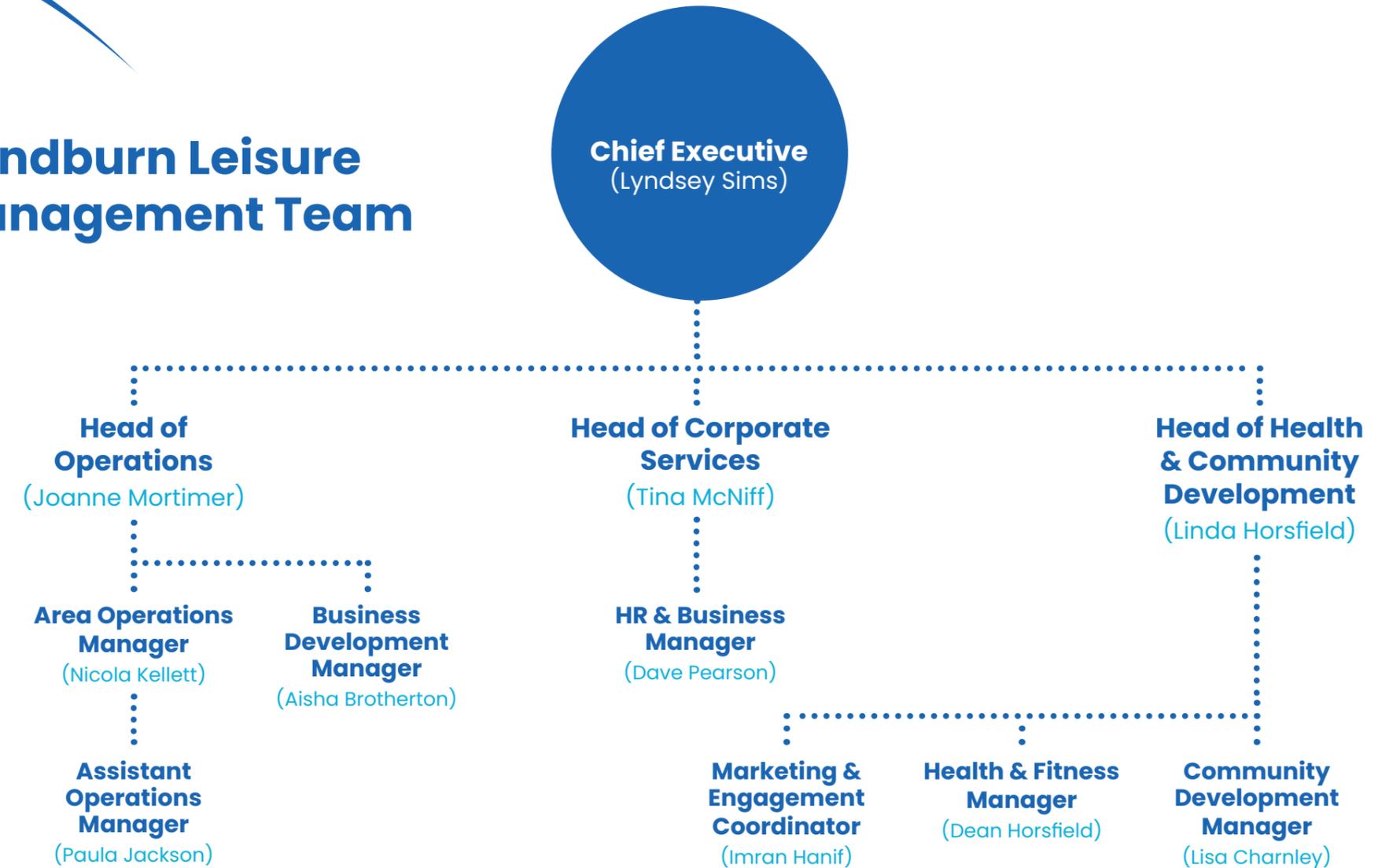
Thanks to the dedication of our people, countless customers have been inspired and supported to make life-enhancing changes. This year, we are proud to have helped people to:

- Learn to swim—building both skill and confidence in the water
- Improve their fitness levels and physical health
- Enhance their mental wellbeing through inclusive and mindful activities
- Form new friendships and social connections, combating isolation and creating a sense of belonging
- Enjoy high-quality creative activities and events

These outcomes reflect not only the value of our services but also the commitment of our teams to make a real difference in people's lives.

As we look to the future, we do so with immense gratitude for the dedication of our staff. Their continued energy, compassion, and teamwork will remain the driving force behind our mission. With their support—and the trust of our customers—we are confident in our ability to keep creating positive, lasting impact in the communities we serve.

Hyndburn Leisure Management Team



Our People

By delivering our Business Strategy, we are working to:

- Increase participation levels
- Support people to reach their health & wellbeing goals
- Improve customer and employee satisfaction
- Develop our workforce



Our Provision

Our provision spans leisure, culture, and health, and is shaped by a deep understanding of the people and communities we serve. From fitness and swimming to arts, wellbeing, and social engagement, we deliver experiences that not only meet individual needs but also promote healthier, happier, and more connected lives.

Our services are intentionally designed to feel welcoming, inclusive, and empowering. Whether someone is learning to swim, improving their fitness, exploring creativity, or engaging with a wellbeing initiative, they are supported by skilled teams who care about creating positive, lasting impact.

We remain committed to a 'bottom-up' approach—listening to our communities, adapting our offer, and shaping provision around real-life needs and aspirations. This community-first model ensures our services are relevant, accessible, and responsive.

In the past year, we made significant strides in improving how we connect with our customers. We launched a new, user-friendly mobile app, giving people more flexibility and control to book activities, manage memberships, and stay informed on the go. Alongside this, our newly established contact centre has transformed how we handle enquiries—resulting in a 72% increase in call response rates, enhancing accessibility and customer satisfaction.

Clear, timely communication is now a cornerstone of our service delivery, helping us build stronger relationships with customers and respond more effectively to their feedback.

We also recognise the urgent need to operate sustainably. Throughout the year, we've taken steps to reduce our environmental footprint—making energy-efficient upgrades to our facilities, cutting waste, and working with suppliers who share our commitment to environmental responsibility.

Sustainability is now an embedded part of our decision-making, from procurement to program design, ensuring we contribute positively to the well-being of both people and planet.

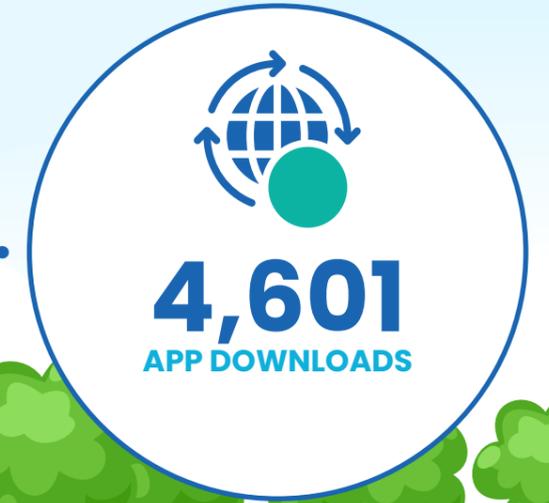
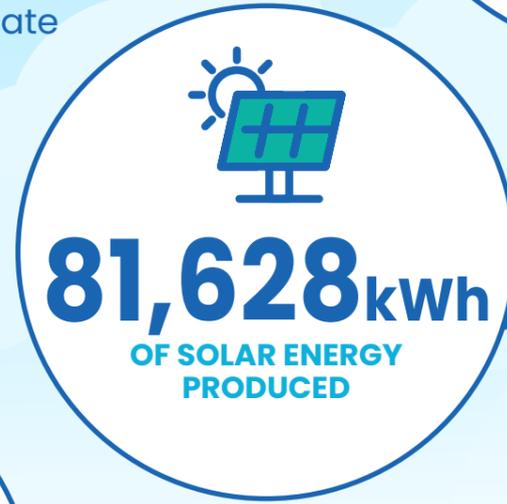
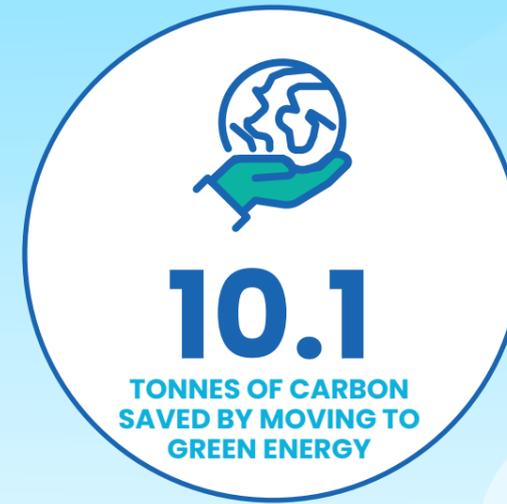
As we continue to evolve our leisure, culture, and health services, we do so with a clear ambition: to raise standards, deepen community impact, and lead with integrity. By prioritising environmental responsibility and customer connection, while staying true to our people-centred values, we're building provision that's fit for the future.



Our Provision

By delivering our Business Strategy, we are working to:

- Improve the quality of facilities
- Improve the quality of services and activities
- Improve how we communicate with our customers
- Reduce carbon emissions, contributing to the Council's net zero ambition



 **Hyndburn**
Leisure

Our Partnerships

Our mission to improve health and wellbeing is only possible through the strength of our partnerships. Over the past year, we continued to work hand-in-hand with a broad network of collaborators—leisure trusts, community organisations, healthcare providers, government agencies, suppliers, and other key stakeholders—to extend our reach, deepen our impact, and build healthier futures together.

Through our work on the Hyndburn Way and Let's Move Hyndburn projects, we strengthened relationships with our community-based partners to deliver programmes and develop new approaches that address the social determinants of health. These partnerships enabled us to tailor our initiatives to meet the specific needs of the communities we serve.

We worked closely with stakeholders across sectors—including public health, funders, and service users—to co-design initiatives, share insights, and align our efforts. Their engagement helped shape our ways of working, ensuring that our work meets local needs and is evidence-informed.

Our partnerships with suppliers are also integral to delivering effective health and wellbeing services. This year, we have developed new collaborations with suppliers who share our commitment to quality, accessibility, and sustainability.

Over the last year, we are proud to have:

- Co-produced a new Active Environment Strategy for Hyndburn, providing a clear vision to support more people to use our wonderful outdoor spaces, to be more active, including working with the Primary Care Network and CVS to introduce a new Green Social Prescribing service.
- Shared our Systems Leadership and Place Commissioning learning from the Hyndburn Way project at several national events and conferences, including; King's Fund, New Local and National Lottery.
- Worked with the Mercer Hall Repurposing group to attract investment to deliver phase 1 of capital redevelopments at the building.
- Co-delivered a Healthy Weight summit. Raising awareness of current food challenges and encouraging collaboration to develop new approaches to improving food security and nutrition.

As we look to the future, we remain committed to cultivating partnerships that are grounded in trust, shared learning, and long-term impact.



Our Partnerships

By delivering our Business Strategy, we are working to:

- Expand and strengthen our partnerships
- Coordinate, support, and contribute to local 'place' partnerships and networks
- Increase community engagement to design and develop services that meet the needs of our customers
- Maintain strong relationships with commissioners and funders



Our Performance

Despite the ongoing challenges experienced across the wider sector—rising operational costs, shifting customer expectations, and costs associated with operating ageing facilities—we are proud to report a year of meaningful progress and growing momentum. Through a focused effort on building a positive performance culture, we have strengthened our resilience, improved our efficiency, and delivered real value for the communities we serve.

Over the past year, we have made significant strides in embedding a culture of continuous improvement across the organisation. We are focused on empowering team members to take ownership of performance, embrace innovation, and work collaboratively toward shared goals.

Our investment in digital tools has played a central role in driving performance gains. Improvements to internal systems and processes have increased operational efficiency, reduced manual workload, and allowed us to better track key metrics. Enhanced data analysis capabilities have also given us deeper insight into service usage, enabling more informed decision-making and more targeted service delivery.

We are pleased to report an 11% increase in income from fees and charges, reflecting both strong customer engagement and improved service visibility. At the same time, we have delivered in-year savings and growth initiatives totalling £223,000, demonstrating our ability to balance financial stewardship with strategic investment in growth.

In 2024–2025, our facilities welcomed 611,941 attendances—a testament to the relevance and accessibility of our offer. When we consider friends and family members who attend alongside primary users, we estimate that our total reach likely exceeded 1 million attendances over the year. This scale of engagement highlights the critical role we play in supporting the health, well-being, and connectedness of our communities.

As we continue to navigate a complex environment, our commitment to performance remains strong. With a culture of accountability, empowered teams, and growing digital capability, we are well-positioned to deliver even greater impact in the year ahead—efficiently, sustainably, and with purpose.

	Budget	Actual	Variance
Income			
Income from Fees and Charges	£2,304,211	£2,317,157	£12,946
Trading Income	£385,517	£329,052	-£56,465
Grant Income	£1,435,878	£1,868,255	£432,377
HBC Subsidy	£1,000,000	£1,000,000	£-
Other Income	£86,064	£155,510	£69,446
Overall Income	£5,211,670	£5,669,974	£458,304
Expenditure			
People costs	£2,512,938	£2,635,433	£122,495
Utility costs	£794,316	£711,618	-£82,698
Repairs & maintenance	£134,292	£179,862	£45,570
Operational Supplies & Services	£310,975	£336,051	£25,076
Project costs	£1,097,664	£1,426,469	£328,805
Premises & transport costs	£88,020	£70,890	-£17,130
IT costs	£71,424	£88,268	£16,844
Professional fees & finance costs	£123,026	£74,015	-£49,011
Irrecoverable VAT	£144,015	£141,698	-£2,317
Other	£ -	-£9,498	-£9,498
Overall expenditure	£5,276,670	£5,654,806	£378,136
Net Surplus/ Deficit	-£65,000	£15,168	£80,168



Our Performance

By delivering our Business Strategy, we are working to:

- Improve financial sustainability
- Introduce and utilise systems and processes to improve efficiency and measure progress
- Share the progress being made by our organisation
- Showcase the personal progress being achieved by our customers

