Motion E Protecting Haringey's council-run leisure services

Proposer: Cllr ~~Melanie Gingell~~ Imad Ahmed

Seconder: Cllr ~~Sarah Williams~~ Fiona Orford-Williams

This Council notes:

- In October 2024, the previous Labour administration brought Haringey Council's leisure services back in-house after breaking the council's contract with Fusion Lifestyle. This decision followed consistent failures by Fusion Lifestyle to provide the services Haringey residents expect~~s~~.
- The 2023 Cabinet decision to insource the service was taken without consultation with residents, and did not rigorously compare the pros and cons of insourcing the service versus other models, even failing to consider an external consultants' report looking into different options, which was commissioned but then not presented to Cabinet.
- That service users, including the Park Road Lido User Group, who presented a deputation to Cabinet at the meeting when the insourcing was agreed and attended the subsequent call-in of the decision, expressed concerns at the insourcing; in particular due to the fact that running a contracted, outsourced service would effectively protect leisure services from cuts.
- That papers from the call-in of the Cabinet decision to insource revealed that an insourced service would cost £700,000 per year extra than using a specialist provider.
- ~~The successful insourcing of leisure services has allowed direct council oversight and democratic control of Haringey's leisure services. This followed extensive work by council officers and leisure staff over several years. This included negotiations with Fusion and engagement and service users.~~
- That after bringing services back in house, the previous Labour administration confirmed investment of £7.5m over five years to address the backlog of maintenance and repairs inherited from Fusion. At least ~~of~~ £4.1m of investment has already been delivered, as of February 2026.
- This funding delivered maintenance works across all sites including new lido covers, circulation pumps and gym equipment at Park Road Leisure Centre, and upgrades to the health suite, sauna, soft play and gym area at Tottenham Green Leisure Centre.
- That, as part of the original contract between Fusion and Haringey Council in 2012, Haringey Council provided a multi-million pound capital loan to Fusion Lifestyle on unsecured contractual repayment terms.
- That the voluntary contract termination with Fusion by Haringey left millions of pounds in outstanding loan repayments undelivered and uncollectable by the Council.

- That feedback from user groups found some improved levels of cleanliness and a higher quality of facilities than under Fusion, but that standards were still below both user expectations and standards offered by commercial competitors in the local leisure space. ~~User groups have also benefitted from direct engagement with the council after previous difficulties communicating with Fusion.~~ Despite the opportunity to engage directly with the council, many user groups and residents have continued to find the process extremely frustrating, with Park Road Lido User Group highlighting a "6 month hiatus [in late 2025 – early 2026] during which the centre's senior management team was in effect absent", and widespread frustration and anger among residents over the council's lack of responsiveness (even basic communication such as unanswered emails and complaints), through to the council's significant delays in offering expanded opening hours or 'family swim' sessions outside the school summer holidays.
- That Fusion Lifestyle was an operator with a notably poor reputation nationwide, which has now entered administration, and did not have service levels characteristic of other providers.
- ~~That the decision to insource was welcomed by staff at leisure facilities and trade unions representing staff. 139 members of staff were TUPE transferred from Fusion and are now directly employed by the council, benefitting from the same conditions as other Haringey Council staff members and improved staff morale.~~
- That ~~there has been significant~~ work ~~across the service~~ on commercialisation and maximising revenue generated from leisure services has thus far been broadly unsuccessful, with the service continuing to be subsidised by the council's General Fund (Haringey taxpayers) by over £1.2m a year, and that the insourced service is failing to hit its financial targets, with an income shortfall of £1.1m a year.
- That due to the service being insourced and fully run by the council, additional services within the council are needed to provide the service including HR, Finance, Comms, Facilities Management, Corporate Landlord and Capital Projects which by the council's own account are "providing additional burden on these teams" and whose total costs are not fully quantified.
- That each member of Broadwater Farm Leisure Centre is currently being subsidised by the Council, and therefore taxpayers, to an effective value of £1,079 per year, on top of the £333 per year average membership fee paid by the 63 paying members (with the remaining 75 members aged over 65 and entitled to free access). If membership remains unchanged and this £150,000 annual subsidy is covered through Exceptional Financial Support (EFS) borrowing, keeping the centre open on the current model would push the cumulative cost to Haringey taxpayers to subsidise the 139 members beyond £1 million within just six years (including over £130,000 in interest alone), the equivalent of £7,429 per

member, while still leaving over £0.75m of unpaid principal sitting on the Council's books to be paid off over the following 15 to 20 years. This is not a sustainable operating model, and an urgent increase in income or a viable alternative operating model is needed to maintain provision on the site.

- Haringey is a borough with significant health inequalities. Haringey residents spend on average the last 17 years of life in poor health and healthy life expectancy is below the London average. Two in three adults are obese or overweight, whilst 1 in 5 reception aged children were recorded as overweight or obese in 2024/25. A third of residents do not get enough physical exercise.
- That the Council's New Savings and Management Actions report proposes "outsourcing of the Council run Leisure Centres to a specialist provider" and a "review of operating models for the Broadwater Farm Community Centre leisure spaces".

This Council believes:

- Obesity and inactivity pose a public health crisis, shortening healthy life expectancy and costing the UK up to £107 billion per year. This places a huge strain on healthcare and social care services in Haringey. It is also a crisis of inequality with inactivity and obesity levels higher in the east of the borough and areas with higher levels of deprivation. Continued support for, and investment, in, leisure services are vital in reversing these trends.
- Leisure services are key to supporting Haringey's residents to live active and healthy lives, tackling public health challenges and combatting social isolation. ~~Bringing leisure services back in-house has been a success allowing Haringey Council to put the needs of residents and services users at the heart of leisure services, rather than subsidising external management costs.~~
- That had there been greater monitoring and political oversight of the Fusion contract, stricter enforcement of the SLA from Fusion, and a tighter contract written between Haringey Council and Fusion, then the level of investment required by the Council after insourcing the service would not have been at the levels subsequently needed.
- That a failure to properly oversee and enforce Fusion's management of the leisure service, and lack of investment in general upkeep of the sites, ultimately led to the necessary decision to terminate the contract voluntarily.
- ~~The collapse of Fusion Lifestyle in April 2026 shows the risks of outsourcing leisure services.~~ Poor contract management from the previous Labour administration, and significant deterioration of the service offer under their watch, resulted in the council being left with the options of Fusion managed facilities ~~were~~ being forced into chaotic and rapid insourcing, despite the council having neither the internal resource nor experience to provide leisure services,

unplanned transfers to other providers or in the worst-case scenario, permanent closure.

- ~~That outsourcing leisure services would reverse the progress made in recent years and betray the trust of staff and users who have worked so hard to make insourcing a success.~~
- ~~High quality and affordable leisure services are an essential public service, best managed locally by and for local people. An external private provider will not have the depth of knowledge and engagement with Haringey's communities as a council run service.~~
- ~~Any changes to the ownership and management of leisure services should only proceed with the support of leisure staff and the trade unions representing them. Any proposals must protect the enhanced terms and conditions staff have been entitled to since services were in-sourced.~~
- Leisure services operate within a profitable overall market, and the councils leisure provision should at the very least be financially self-sustaining. At a time of stretched budgets, successful, well-run leisure services should be seen as a mechanism to avoid cuts elsewhere.
- That political bias towards insourcing should not be a consideration for the mechanism by which services are delivered, that insourcing does not represent a panacea for service users, and that each decision should be considered on an unbiased assessment of all options available, with end-user outcomes, and value for money the key factors in decision-making, not political preferences.
- The council has a responsibility to put the residents of Haringey, not council staff and certainly not trade unions, at the heart of its decisions.

This Council resolves:

- ~~That it wishes to consider through the appropriate governance route prioritising and protecting the principle of council owned and run leisure centres as part of the upcoming budget process and to ask Overview and Scrutiny to review budget proposals to outsource leisure services.~~
- To ask Cabinet to recommit to working with staff~~, trade unions~~ and user groups on the continued improvement of leisure services and how we can collectively reduce barriers to participation to exercise and sport.
- To carry out a new business case assessment into the running of leisure centres, retaining an open mind when it comes to the model of provision, whether that be retaining the service in-house, partnering with a specialist leisure provider, or creating an arms-length leisure management company; and not predetermining or committing to a model without evidence and a balanced scoring system.
- To ensure a greater focus is placed on the basic functions inside the centres, including general cleanliness, responsive maintenance, and timely communication with clear standards for accountability.

- To review the current business plan, marketing strategy, and service delivery model to ensure that each of the council's four leisure centres are profitable/non-subsidised within 24 months, with a clear trajectory to this profitability through detailed biannual reports on the leisure service finances to Overview and Scrutiny Committee as part of the Q2 and Outturn Reports.
- To ask Cabinet to continue to promote the ~~active wellbeing~~ services at our Leisure Centres including throughout the London Borough of Culture in 2027 and the UEFA European Champions in 2028, and to take forward a new marketing strategy promoting the leisure centres and their facilities, with a particular marketing strategy for the Park Road Lido, targeting customers from beyond Haringey.