



Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
The Treasury
1 Horseguards Road
Whitehall
SW1A 2AX

15th December 2022

Dear Chancellor of the Exchequer,

Review of the Energy Bill Relief Scheme - Vulnerable Sector Designation

The UK's community leisure sector is in peril. Many of the leisure trusts which operate the swimming pools, gyms, theatres and more which are central to communities across the country are walking a financial tightrope. Any mis-step could tip them into financial crisis, to the detriment of the physical and mental wellbeing of those who rely on them as well as on the economies of the areas they serve. Collectively, this could leave us with a huge hole in national life.

Just over 80% of charitable leisure and cultural trusts in England, Scotland and Wales have told us they are at financial risk - with a picture ranging from those who describe themselves as being in crisis now to those who can see their crisis point on the horizon.

The crippling impact of rising energy costs has compounded the continued struggle for services across the board to return to pre-coronavirus pandemic levels with, on average, lower attendances hitting our members' incomes. Even with the current energy price cap, costs are exponentially higher than last year and unsustainable going forward.

Without Government interventions, leisure and culture facilities are going to close. Swimming pools, with their high energy usage, are at particular risk.

This is why our members at Community Leisure UK - the membership body representing charitable leisure and culture trusts across England, Scotland and Wales - are calling for our sector to be granted Vulnerable Sector Designation from April 1st. Without this additional support, and in the absence of support on energy costs beyond 31st March, the problems our members face are only going to deepen. We will find leisure trusts unable to cope and with no choice but to make the difficult decision to close facilities, particularly swimming pools, ice rinks and theatres. Many have

already done so, but more will follow without support. Once closed, it is hard to imagine them reopening.

We realise, as you will, that Vulnerable Sector Designation is not a magic bullet. It will not solve all the issues our members have, given that energy costs are so high. However, it is a necessary if not sufficient part of our member's survival, a critical tool in our armour as we at least attempt to stabilise and look for some kind of recovery. Every one of our members is taking a long, hard look at its finances against a backdrop of depleted reserves after almost three years of once unimaginable disruption, with local authorities - themselves under pressure - having no capacity to financially support the scale of price increases we are experiencing.

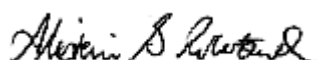
Energy efficiency and other mitigation measures have been brought into play wherever possible to try and drive costs down. This alone, though, is not enough.

Without increased UK Government support - starting with Vulnerable Sector Designation for energy use - the survival of so many valued parts of our sector is at risk. Peoples' health will suffer, jobs will be lost and communities will become worse off. We cannot afford to let that happen.

As people continue to deal with ongoing consequences of coronavirus and the personal strains caused by the cost of living crisis, it has never been more important to invest in health and wellbeing and to provide support to those charitable trusts on the frontline of delivering that support across the country.

I would ask you to consider our request as a matter of urgency as part of the review you are currently undertaking and would be pleased to meet with you or your officials to further discuss the issues our sector faces.

Yours sincerely,



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Vice-Chair
Community Leisure UK

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