



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Culture and Leisure Overview and Scrutiny Committee

Tuesday, 12 May 2026

Report of Councillor Paul Stokes
Deputy Leader of the Council, Cabinet
Member for Leisure and Culture

LeisureSK Ltd. Performance Report - Quarters 3 and 4 2025/26

Report Author

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Purpose of Report

To provide an update to the Culture and Leisure Overview and Scrutiny Committee on the performance of LeisureSK Ltd. during quarters 3 and 4 in financial year 2025/26 against the leisure management contract objectives.

Recommendations

Members of the Culture and Leisure Overview and Scrutiny Committee are recommended to note the contents of the report.

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting Communities
Sustainable South Kesteven
Effective Council

Which wards are impacted?

Bourne East; Grantham Earlesfield;
Stamford St Georges;

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 There are no financial implications from the Council's perspective in relation to this report. As part of the agency contract arrangement income is collected by LeisureSK Ltd. on behalf of the Council and a monthly reconciliation is carried out. Any expenditure incurred in delivering the service is deducted before any remaining surplus income is transferred to the Council.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.2 The Culture and Leisure Overview and Scrutiny Committee is responsible for assessing the performance of LeisureSK Ltd. in line with the Council's agreed performance indicators as set out in the Leisure Services Specification – April 2025. The Committee has previously agreed to receive updates against the performance indicators and last received an update at a meeting of the Committee on Thursday 11 December 2025.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1 The Council's Corporate Plan 2024-27 sets out the key priorities for the Council and its leisure service. Providing a high-quality sustainable leisure offer helps support the Council's corporate ambitions and provides opportunities for improved health and wellbeing outcomes for local communities.
- 2.2 The Council entered a new 10-year agency agreement with LeisureSK Ltd. on 1 April 2025 which includes a refreshed suite of key performance indicators (KPI's). The Council's leisure contract with LeisureSK Ltd. focusses on embedding an approach that seeks to continuously improve service delivery and customer experience.
- 2.3 This report will therefore focus solely on the Company's performance against the KPI's embedded within the Leisure Services Specification. This Committee previously received an update on the Company's performance during quarter 2 on Thursday 11 December 2025 (see **Background Papers**).

- 2.4 During year one of the contract with LeisureSK Ltd., baseline data has been collected to measure the performance of the company against across the remainder of the contract period. The information provided in **Appendix One** is the baseline contract data collected during year one of the contract period.
- 2.5 During Q3 there was a reduction in the Swim School occupancy across the company of 5.3% with Stamford Leisure Pool seeing the greatest reduction. However, it is pleasing to see that across Q4 the overall occupancy has grown by 0.7% and Stamford Leisure Pool has seen an occupancy growth of 10% as a result of a programme review and careful class management. Q3 also saw a low amount of new membership sales in comparison to the number of leavers across the contract, however there was the opposite effect in Q4 with a greater number of new membership sales being generated compared to leavers. This is mainly down to the completion of the gym refurbishment at Grantham Meres Leisure Centre. The sales performance for new members and leavers in Q3 and Q4 is comparable with national trends.
- 2.6 Moving forwards into 2026/27 the Council will be able to assess the performance of LeisureSK Ltd. against the key performance indicators in the Leisure Services Specification, now that the baseline data has been collected during year one of the contract.
- 2.7 Council Officers continue to undertake regular monitoring visits across each of the leisure facilities. These focus on the customer experience journey whilst ensuring that the delivery of the service is aligned with the performance requirements set out in the Leisure Services Specification.
- 2.8 During the period October 2025 to March 2026 a total of 24 monitoring visits were carried out by the Council's Leisure Team, covering the three leisure facilities and the stadium in Grantham.

2.9 **Table One** below shows the findings for cleanliness and maintenance issues raised from the leisure monitoring visits during this period. Also included in brackets is the variance compared to the same reporting period in the previous year.

Table One: Findings from the leisure monitoring visits and the items raised for rectification between the period of October 2025 to March 2026		
Facility	Total Cleanliness Items	Total Maintenance and Repair Items
	Oct 2025 – Mar 2026	Oct 2025 – Mar 2026
Bourne Leisure Centre	211 (+10)	148 (-5)
Grantham Meres Leisure Centre	418 (+132)	211 (-14)
South Kesteven Sports Stadium	274 (-75)	205 (+60)
Stamford Leisure Pool	165 (-99)	86 (-8)

2.10 Monitoring of the rectification numbers for cleanliness and maintenance issues forms part of the corporate KPI's which are reported to this Committee.

2.11 Under the terms of the contract LeisureSK Ltd. must inform the Council should there be any unforeseen closures of the pools outside of planned maintenance works, which would include the closures at Grantham Meres Leisure Centre as part of the decarbonisation works. During Q3 and Q4 there were a total of three pool closures as detailed below:

- Stamford Leisure Pool had two closures in December 2025. These were due to chemical dosing issues and staff sickness.
- Bourne Leisure Centre had one closure due to faecal fouling in the swimming pool.

2.12 LeisureSK Ltd. are supported by an external company, Right Directions Ltd., who carry out independent health and safety monitoring. Each centre is subject to an annual health and safety operational audit which is undertaken by one of the consultants from Right Directions. The most recent audit results for 2025 show an improvement across all sites with the results shown in **Table Two** below:

Table Two: Health and Safety Operational Audit Scores 2025	
Facility	Audit Score
Bourne Leisure Centre	90% (+1%)
Grantham Meres Leisure Centre inc South Kesteven Sports Stadium	89% (+9%)
Stamford Leisure Pool	89% (+1%)

- 2.13 As part of the leisure monitoring visits undertaken by the Council's Leisure Team, should there be any findings during the visit relating to health and safety, these are raised with the centre management team with a timeline agreed for rectification.
- 2.14 LeisureSK Ltd. provide the Council with accident statistics on a quarterly basis. There was a 15% increase in the number of accidents, incidents and near misses reported during this reporting period compared to the first half of the year. Following an internal review there was an issue with some accidents, incidents and near misses not being reported correctly previously. The Contract Operations Manager has addressed this and carried out training with the team. There was one sporting accident at Grantham Meres Leisure Centre which was required to be reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).
- 2.15 With the Council's previous Facilities Management Contract having come to an end in March 2026, the previously held bi-monthly property maintenance meetings did not continue during Q4 as the focus was on completing any outstanding works prior to the change of contractor. A new FM Contract has now commenced from 1 April 2026 with Key Integrated Services (Key IS) and once the new contract has been fully embedded by the Property Team, regular property maintenance meetings between the Council Officers , Key IS, and LeisureSK Ltd. will resume.
- 2.16 Council Officers continue to work through the findings of the building condition surveys which are prioritised for completion based on the severity and risk identified. These works are taking place in addition to the ongoing reactive maintenance works which are identified. Both the Council's Leisure and Property Teams continue to meet on a quarterly basis to discuss these and review the future programme of works.
- 2.17 The Public Sector Decarbonisation Scheme (PSDS) Phase3c project at Grantham Meres Leisure Centre was successfully completed and commissioned on time in March 2026 in line with the funding deadline set by Salix Finance. This will decarbonise the leisure centre by replacing its fossil fuel heating system and introducing a carbon neutral Net Zero Pod air source heating system.

3. Key Considerations

- 3.1 This report provides information on the leisure contract performance and monitoring arrangements for LeisureSK Ltd. and offers an opportunity for Members to raise any concerns around the facilities and the level of service being offered.

4. Other Options Considered

- 4.1 The Culture and Leisure Overview and Scrutiny Committee have previously agreed to receive regular updates on the performance of LeisureSK Ltd. against the contract KPIs.

5. Reasons for the Recommendations

- 5.1 The Council has a duty to ensure the leisure contract provides value for money and delivers on its corporate objectives. The information detailed within the report provides Members with an opportunity to assess the performance of LeisureSK Ltd.

6. Background Papers

- 6.1 *LeisureSK Ltd. Performance Report – Quarter 2 2025/26* – Report to Culture and Leisure Overview and Scrutiny Committee, published 3 December 2025, available online at:

<https://moderngov.southkesteven.gov.uk/documents/s48926/LeisureSK%20Ltd%20Performance%20Report%20-%20Quarter%202%20202526.pdf>

7. Appendices

- 7.1 **Appendix One** – LeisureSK Ltd. Performance Data 2025/26