

Rt Hon Liz Truss MP
Prime Minister
10 Downing Street
London
SW1A 2AA

6th September 2022

Dear Prime Minister,

I write to you representing the fitness and leisure sector, which has a unique responsibility not only to the thousands of people who work in it but also to those millions of people who use fitness facilities to maintain and improve their physical and mental wellbeing. Many sectors need vital financial support in the wake of the current energy crisis we face as a nation, and none more so than the fitness and leisure sector – this letter is an urgent plea for support in the coming weeks. The signatories of this letter believe that failure to support these facilities will put the country at risk of a major physical and mental health crisis.

Without support, spiralling energy costs will cause the widespread closure of facilities, the loss of thousands of jobs, and worsening health outcomes for millions. Investment in this sector provides a proven return and with government support during this crisis, the sector will recover and continue to increase levels of physical activity, health, and wellbeing in the UK.

For context, the signatories to this letter are leading businesses from the fitness and leisure sector, brought together by ukactive, the membership body for the sector whose 4,000 members provide services to more than 17 million people, employing more than 300,000 people.

The energy crisis poses an existential threat for many of our members. Gyms, leisure centres and swimming pools have seen their bills increase to an unsustainable level and without support many will have no choice but to increase customer prices, rationalise services, cut back on staffing levels, close sites or even declare bankruptcy. This would be devastating for communities across the UK as these facilities are crucial to people's health, wellbeing, social life, and community spirit.

Current predictions from ukactive's research suggest that compared to 2021 levels, energy bills for the sector will increase by up to 240% in 2023, with some public leisure centres already facing increases of between 150% and 200% due to the high energy consumption of swimming pools. With no financial support, more than half of all public and private facilities will be forced to close some or all of their sites. This includes up to 85% of public leisure facilities within the next six months.

Fitness activities in gyms, pools and leisure centres represent the largest driver of physical activity in this country other than walking, meaning the implications of the sector crumbling into bankruptcy due to out-of-control energy costs would be disastrous for millions of people.

In England alone, the sport, fitness and leisure sector generates £85bn of social and economic value every year. Research by Sport England and Sheffield Hallam University showed that every £1 spent on community sport and physical activity generates £4 for the English economy, in part because of the significant return on investment physical activity offers on many health conditions, including musculoskeletal issues, cancer, heart issues, and mental health disorders.

We are therefore calling for the following supportive measures to be implemented as soon as possible:

- Provide **Local Government grants**, ring-fenced to protect **public and community leisure** facilities.
- **Expand the current business rates holiday and freeze business rates now** for next year (FY22/23) for **all** fitness and leisure premises, with no caps applied.
- **Reduce VAT** to 5% for **fitness and leisure businesses**.
- **HMRC to replicate the Time-To-Pay** flexibility scheme granted during the pandemic.
- Provide and support access to funding for investment in the **adoption of green technology** by businesses and local authorities.

Putting these measures in place will allow the fitness and leisure sector to weather this current storm, to protect facilities, and provide crucial investment in the health and wellbeing of the UK.

Failure to provide the required support will see essential facilities disappear, damaging further the health and wellbeing of millions, and placing even greater pressure on our NHS.

As a sector, we look forward to working with the Government in investing in the future of health and wellbeing in the UK, we welcome further discussion on this topic, and we congratulate you on your respective election and appointment.

Best wishes,

Huw Edwards, CEO, ukactive



ukactive Membership Council co-signatories

Dave Courteen, Managing Director, Mosaic Spa and Health Club Group

Andrew Denton, Chief Executive, Outdoor Industries Association

Marc Diaper, Chief Executive, Gymbox

John Fletcher, Managing Director, Northampton Leisure Trust

Sophie Lawler, Chief Executive, Total Fitness

Lee Matthews, Managing Director, Fitness First

David Monkhouse, Non-Executive Director, LeisureSK

Rebecca Passmore, UK Managing Director, PureGym

Chris Symons, Chief Executive, BH Live

Andrew Thompson, Chairman, Anytime Fitness UK

Jean-Claude Vacassin, Director, The IFBA

Sarah Watts, Chief Executive, Alliance Leisure

Dave Wright, Group CEO, Myzone Group.