

## **Supplementary written evidence submitted by Swim England**

### **Impact of Covid-19 on Swim England**

Further to a discussion with Kate Anderson, Swim England is pleased to provide the following submission to the Committee regarding the impact of Covid-19 on Swim England.

#### **About Swim England:**

Swim England is the recognised National Governing Body for swimming, diving, water polo and artistic swimming in England.

Swimming remains one of the most popular activities in England, with 14 million adults going swimming each year (31.3 per cent of the population). More than one million children learn to swim outside of school through Swim England's Learn to Swim programme each year. Over 1,000 swimming, diving, water polo and artistic swimming clubs are members of Swim England.

#### **Impact of Covid-19:**

Covid-19 has had a big impact on Swim England as an organisation and as an employer, and it has certainly not been an easy time for the organisation or our sports as a whole.

We made use of the available schemes like the Coronavirus Job Retention, or furlough, scheme for salaries which were not covered by our funding partners. The furlough scheme provided a lifeline for many people and businesses. It certainly has been for us as an organisation.

From April 2020 onwards we furloughed as much of our workforce as we could and for the period since March 2020 to December 2020, we received furlough income of just over £1.6m.

A number of our staff have been completely furloughed since April 2020. Whilst we have made efforts to ensure that these staff still feel included and part of the team we know from our discussions with them that this has been a very difficult time for many of them.

Despite these measures we have had to take difficult steps. Between June and July we restructured our entire workforce, with team members on notice from 01 August.

As a result of this, our workforce was reduced by over 30% during this re-structure across all business areas as we lost some 72 people, taking our total headcount as an organisation down to around 150. Losing 72 people who had done nothing wrong, who contributed so much and were valued members of our team was incredibly tough.

We are confident that our new structure is the right one to enable us to grow our sports when we can eventually move into the re-emergence phase of the Covid pandemic. However it does naturally mean we have a reduced capacity compared to twelve months ago and therefore have to adjust some of our activities and our way of working accordingly.

We continue to operate on short time hours at present.

Our entire workforce has been furloughed for at least one day a week since November, with the majority of staff furloughed for considerably more than one day a week.

All the steps taken above have been necessary because of the impact of Covid on our income.

Swim England's income is predominantly derived from three distinct areas

- 1) Membership fees from our members,
- 2) Trading income – through the sale of swimming awards and teaching/coaching courses
- 3) Sport England and a few other grant funds for specific purposes.

In a normal year our income from these streams is as follows:

- 1) Membership fees: £3.00 million
- 2) Trading income: £8.60 million
- 3) Sport England and other grant funds: £3.1 million

We won't know the full impact of Covid-19 on our membership numbers until the end of February as a result of the way our membership runs, but we were 55% down year on year for new members joining us through 2020 compared to 2019. For 2021 we expect our membership fees to fall by between £1.00 - £1.5 million but will not have a definite figure until the end of February.

With around 200 pools never having reopened since the first lockdown and many club members locked out of club training sessions as a result of the government's previous restrictions on organised sporting activities we know that we will lose a substantial amount of members.

With the closure of pools, no swimming lessons were able to take place for months, which has seen our trading income almost completely disappear.

Even as pools were allowed to reopen after the respective lockdowns, many have remained shut and of those that reopened, most adopted a phased approach which meant that lessons did not resume immediately.

Swim England does receive Sport England funding to support our talent programme and core market activity. As an NGB we are very proud of the fact that during this quadrennial we were funding all our infrastructure, administration and back office costs and supported the Sport England funded programmes by over £1m a year. This has added to the financial stress we are now in though.

Swim England has always made the conscious decision to invest more than the amount we receive from Sport England into our clubs, talent programme and core market initiatives including water wellbeing (our health and wellbeing model), using the income we generate from the other two streams mentioned. This has been the right thing to do as we are fiercely committed to our sports and swimming as an activity for health and recreation and want to invest as much money as we can back into them. Obviously this is tougher than ever to do in the current climate.

Swim England commends Sport England for having acted swiftly in the face of the pandemic, committing to fund at the same level for 2021 and temporarily easing the restrictions on how this funding is used to help ensure our viability. These were incredibly welcome steps, in addition to the emergency funding pots they made available which we encouraged our clubs to apply for directly.

Swim England has taken out a business interruption loan to ensure we remain a going concern and in a position to continue to drive our sports forward in the future. We are also in the process of selling off office space.

The financial effects of Covid have been felt right across the swimming community, Swim England has certainly not had a monopoly on that pain as the NGB.

Pool operators have also had to deal with a sudden loss of income as pools and gyms were forced to shut. It is a fact that swimming pools, particularly older pools, are not cheap to run and maintaining them through lockdown ate into any reserves operators had.

When pools have been able to reopen, we have seen that operating pools profitably with reduced footfalls is incredibly difficult so the challenge will be far from over when the current lockdown ends.

The short term impact of Covid-19 on our work as the NGB means we have had to temporarily scale back some areas of our work to reflect our reduced capacity and the necessity to prioritise income generating areas of work to ensure the continued survival of our fantastic sports. However, we have found many different ways to work which ensures we continue to engage with our members and partners effectively.

The most pressing need for everyone involved in swimming and aquatics in England is for the reopening of pools and continued financial support to ensure their viability. The National Leisure Recovery Fund from government is most welcome and will be a real help for many pools. However, further targeted support will be needed.

Longer term, the biggest issue facing swimming is the impending shortage of facilities. Swim England forecasting shows a potential loss of 40% of the country's public swimming pools by the end of the decade. This situation will only be exacerbated by the impact of Covid-19 leading to more pools closing.

