

Leisure Services Business Unit (LSBU) Overview of Financial Performance 2008/09

Overview

The LSBU has a policy objective to break even each year. The revised estimate for 2008/09 was a deficit of £113,500. The 2008/09 year end position was a deficit of £150,550 allowing for funding from earmarked reserves. In overall terms the outturn position reflects the very difficult economic conditions and further increases in utilities charges. In overall terms income was below profile, reflecting the financial pressure felt by many customers and expenditure control was good. More detailed information related to each contract is shown below.

Larkfield Leisure Centre

This contract fell short of the revised estimate profile by £19,450.

The outturn position for this contract reflects the overall economic position referred to in the overview above. Major areas of overspend included staffing, due in part to a one-off extraordinary payment in the second half of the year and utilities. Income in casual swimming, courses and Larkabout was the most affected, possibly reflecting family spending priorities. Lifestyles Health and Fitness maintained a strong performance supported by extensive price promotions, marketing and retention campaigns.

Expenditure was £16,800 above profile, allowing for funding from the LSBU earmarked reserve. Utility costs and staffing were overspent by £8,000 and £9,400 respectively.

Angel Centre

This contract fell short of the revised estimate profile by £38,600.

Overall income for the contract was £26,600 below target with the meeting rooms, Medway Hall, fitness income and courses all below profile. Income includes a loss of income claim for the All Weather Areas following closure of the facility due to flood damage.

Expenditure control was good with the exception of exceptional costs related to water supply at Tonbridge Farm which contributed to an overspend in utilities of £12,800.

Tonbridge Swimming Pool

This contract exceeded the revised estimate profile by £11,450.

Overall income for the contract was below target by £22,000 with casual swimming and courses the areas most adversely affected. However, income for one to one swimming and schools exceeded target comfortably.

Expenditure was underspent by £33,400 primarily due to savings in utilities and marketing costs, with staffing costs roughly to profile. Good expenditure control was also achieved in maintenance contracts and premises costs.

Poult Wood Golf Centre

This contract exceeded the revised estimate profile by £9,550.

Expenditure saving was achieved by excellent expenditure control in all areas of the contract. The contract performance and standards of ground maintenance remain very high.