

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

13 December 2010

Report of the Chief Leisure Officer and the Director of Finance

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 LEISURE SERVICES – REVIEW OF CHARGES 2011/12

Summary

This report outlines charging proposals in respect of Poulton Wood Golf Centre, Tonbridge Cemetery, Tonbridge Castle Council Chamber and weddings, the Summer Playscheme, pitch hire for Sportsgrounds in Tonbridge and car parking at the Council's two Country Parks. The proposed charges for the Council's indoor leisure facilities are reported separately in these papers.

1.1 Introduction

- 1.1.1 In bringing forward the charging proposals for 2011/12 consideration has been given to a range of factors, including policy objectives for each facility/service in the Leisure and Arts Strategy 2008-13, the Council's overall financial position in light of changes in the national economy, the forthcoming increase in VAT from 17.5 to 20%, market position, trading patterns, the current rate of inflation (4.5%), competing facilities, and customer feedback. The Board is reminded of the Council's Leisure Pass Scheme which enables financially disadvantaged residents to participate in leisure activities at concessionary rates. A copy of the Leisure Pass Scheme leaflet is attached at **[Annex 1]**. Members will also be aware that significant concessions are also given to specific groups including senior citizens, young people, and people with disabilities, ensuring that the Council's leisure facilities are accessible to all.
- 1.1.2 The proposed charges for 2011/12 have also taken into account the set of guiding principles for the setting of fees and charges approved by Members of the Finance and Property Advisory Board and reproduced below for the benefit of the Board:
- 1) *Fees and charges should reflect the Council's key priorities and other corporate aims and priorities recognising there may be trade-offs as these are not mutually exclusive.*

- 2) *Fees and charges should have due regard to the Council's Medium Term Financial Strategy.*
- 3) *If there is to be a subsidy from the council tax payer to the service user this should be a conscious choice.*
- 4) *The Council should look to maximise income subject to market conditions, opportunities and comparable charges elsewhere, in the context of its key priorities and other corporate aims and priorities.*
- 5) *Fees and charges should normally be reviewed at least annually (unless fixed by statute or some other body).*
- 6) *Fees and charges should not be used to provide a subsidy from the council tax payer to commercial operators.*
- 7) *There should be consistency between charges for similar services.*
- 8) *Concessions for services should follow a logical pattern so as not to preclude, where appropriate, access to Council services on the grounds of ability to pay.*

1.2 Consultation

- 1.2.1 The views of the general public and existing customers are important in considering leisure charges. Various techniques are used to receive feedback including market surveys, customer panels, customer comment cards and mystery shoppers. Due consideration is also taken of the charges at local competing facilities both in the public and private sectors.
- 1.2.2 Detailed liaison with the management contractors at Poult Wood Golf Centre has taken place, so the charging process reflects current circumstances, and is unlikely to have a detrimental impact on the Centre's market position. The contractors are supportive of the proposals brought forward within this report.
- 1.2.3 Proposed charges in respect of facilities used by Tonbridge sports clubs are the subject of consultation with the Tonbridge Sports Association. The Chairman of Tonbridge Sports Association has stated "that the proposed increases in respect of Tonbridge Sportsgrounds are agreed. In respect of Poult Wood Golf Course I consider the increases to be appropriate."

1.3 Poult Wood Golf Centre

- 1.3.1 In bringing forward the charging proposals for 2011/12 consideration has been given to a range of factors, including the Centre's policy objectives, market position, trading to date, competing facilities and customer feedback.
- 1.3.2 There are a number of key issues which have affected the proposals brought forward:

- The golf market has declined nationally this year with a 3.9% decrease on last year according to independent research, with the South of England particularly affected. Whilst usage was affected by events such as the World Cup, as well as the weather (with a cooler than normal August and a wet September), it is felt that the current economic environment has had the largest impact, and this is set to continue in the immediate short term.
- Income at Poult Wood Golf Centre is currently £90,000 below profile to the end of October 2010.
- The golf market remains highly competitive in the declining market, with private sector courses no longer requiring golfers to hold handicap certificates, and offering an increasing number of discounts and incentives.
- Poult Wood Golf Centre has continued to offer good quality, for a good price. The new irrigation system has improved the standard of the course and assisted the maintenance of the greens and tees, extending the grass tee season into November. The Clubhouse continues to attract customers to the Centre for functions and meals including the popular Carvery. New winter tee mats have recently been installed on both courses in response to comments made in the last market survey.
- The pricing strategy for Poult Wood Golf Centre rewards customer loyalty, with reductions for discount card holders and discounts to senior citizens, juniors/students and leisure pass holders, reflecting the Council's policy of fair access for all.

1.3.3 In light of the current market position a meeting has recently taken place with representatives from Sencio Community Leisure, which operates Sevenoaks District Council's leisure facilities including Lullingstone Park Golf Course. Lullingstone is experiencing an almost identical reduction in usage to Poult Wood, and various marketing approaches/initiatives were discussed as follows:

- Sencio operate golf buggies for hire which it feels has assisted in attracting more golfers to the Golf Course, as it can cater for the golfers that are less able to get around the course. It is intended to explore trialling buggies for hire through the Golf Professional at Poult Wood Golf Centre for the start of next season.
- Season tickets are offered at Lullingstone Park Golf Course as well as Cobtree Manor Golf Club and other local private courses, offering both a single payment for golf for the year at the courses and also payment monthly through direct debit. Whilst uptake has not been significant at Lullingstone it is felt that this is an option that warrants further consideration, and that a review should be progressed over the coming months.

- Use of online tee time booking agents is another initiative that has been trialled by Lullingstone Park Golf Course with some success. A number of tee times that are more difficult to fill are passed to a tee time agent to sell at reduced rates. The arrangement has no ongoing commitment and can be stopped at any time, offering another way for customers looking for the best priced round to discover Poulton Wood Golf Centre and generate income at quiet times. A trial over the winter period is proposed.
- 1.3.4 The charging proposals in respect of Poulton Wood Golf Centre, together with comparative charges at neighbouring public and private competing facilities, are outlined at **[Annex 2]**. The proposed charges represent an increase of 2.5%, resulting in a standstill budget when accounting for the rise in VAT from January. It is not felt that a greater increase in price can be made in the current market.
- 1.3.5 A proposed new promotional charge for a tee time is recommended to encourage groups of four golfers to play the course at a discounted rate. This charge has been set at £80 offering visiting adult golfers a discount at weekends. The charge will be used to encourage greater numbers at quieter tee times with restrictions on availability.
- 1.3.6 A staggered twilight price is also proposed to combat the quiet period between standard price and the reduced twilight price which accounts for the limited daylight to complete a full 18 holes of golf. The half an hour before twilight will be half the discounted rate so that golfers will be less tempted to wait for the discounted price.
- 1.3.7 Members will be pleased to note that ebookings and payments for the 18-hole course have been available at Poulton Wood Golf Centre since January 2006, with bookings made via the facility website (www.poultonwoodgolf.co.uk).
- 1.3.8 Should the proposed increases in green fee charges be agreed they will be incorporated into the charges for golf societies together with increases to the charges for the food element which Par 4 Catering, the clubhouse contractor, operates. Par 4 Catering are suggesting increases to account for the VAT increase ranging from 30p to £1.50 dependent upon the amount of food included per person. Historically the charges for golf societies have been set at a premium accounting for the ability for groups of golfers to reserve the use of the course from other golfers in advance, and enjoy reserved seating and catering in the restaurant. Competition from other golf courses for the income from society groups has increased, while within the decreasing market the numbers of golf society bookings have decreased and the number of golfers in the societies has also reduced. Whilst offers, including the organiser going free and tailored packages for golf and food have helped bookings, a review of the pricing will be undertaken to reflect the benefit of groups of golfers playing the course, rather than adding a premium that may discourage bookings.

- 1.3.9 The on-site Clubhouse Contractor has stated that he wishes to increase the charges for the squash courts to bring them in line with other local provision. Under the contractual arrangements all squash income accrues to the contractor.
- 1.3.10 Members of the Poult Wood Golf Centre Customer Panel are being consulted individually on the proposals, and their views will be made available at the meeting.
- 1.3.11 Poult Wood Golf Centre now exists in a very competitive market, with a number of local public and private golf courses chasing a limited number of customers. This, together with other economic factors, clearly represents a challenge to Poult Wood, and the proposed charges/initiatives for 2011/12 reflect this position. The focus for Poult Wood Golf Centre is to retain its existing market share, reward loyalty from users, maintain the quality of facilities and service, and focus on increasing usage by key target groups.

1.4 Tonbridge Sportsgrounds – Pitch Hire Charges

- 1.4.1 This Council has an agreed policy with Tonbridge Sports Association of amending pitch hire charges to local sports clubs by the October Retail Price Index and rounded to the nearest pound. The Retail Price Index for October 2010 was 4.5%.
- 1.4.2 A copy of the existing and proposed pitch hire charges is shown at **[Annex 3]**.
- 1.4.3 The sports pitch income is credited to the Leisure Services Business Unit. The Leisure Services Business Unit manages the pitch hires in liaison with the Tonbridge Sports Association, through the Angel Leisure Centre.

1.5 Tonbridge Cemetery – Proposed Charges 2011/12

- 1.5.1 As Members may be aware, there is a very limited supply of new graves at Tonbridge Cemetery. The charging strategy, therefore, takes into account the longer term management of the Cemetery's capacity.
- 1.5.2 In bringing forward the proposed charges for Tonbridge Cemetery a number of key principles have been taken into consideration:
- The need to cover all costs, including some internal costs on new burials and services.
 - The need to compare costs with other cemeteries in Kent **[Annex 4]**. It should, however, be noted that direct comparison with other cemeteries is difficult as pricing brackets, services and available grave space differ.
 - The need for the charging strategy to support the management of the remaining capacity in the Cemetery.

- The need to provide some affordable options, whilst supporting the principles of the Council's Medium Term Financial Strategy.

1.5.3 The principles referred to above have been applied to the existing charges and are reflected in the proposed charges shown at **[Annex 5]**. Members will note that a modest increase has been proposed to all charges with the exception of burial of stillborn – one year old (inclusive) which have been retained at the present minimal level.

1.5.4 It is anticipated that these proposals will generate additional net income of £2,100 which will be reflected in the 2011/12 revenue budget reported to the Finance & Property Advisory Board on 5 January 2011.

1.6 Country Parks – Car Parking

1.6.1 Members will be aware that charges for car parking apply at both of the Council's Country Parks, with the existing charges for both facilities detailed below:

	Existing Charges 2010/11
Up to 4 hours	60p
4 hours and over	£ 2.40
Season ticket	£25.00

1.6.2 With regard to the proposed charges for 2011/12 it is suggested that the existing charges for both Country Parks remain unchanged, and be reviewed as part of the Council's overall review of charges for its car parks, which will be reported by the Director of Planning, Transport and Leisure to a future meeting of the Car Parking Charges Advisory Board.

1.7 Tonbridge Castle Chamber – Hire Charges

1.7.1 The Council Chamber is used for a number of purposes, including Member and Officer meetings, weddings, private hire and concessionary use by a number of local organisations.

1.7.2 Several years ago a minimal charge was introduced for concessionary users. It is recognised that this concessionary charge is greatly valued by these organisations. It is proposed that a concessionary user charge be retained to reflect ongoing support for local organisations.

1.7.3 The list of concessionary users was agreed by Cabinet on 2 February 2010 (Decision D100009CAB) and no amendments are proposed **[see Annex 6]**. Concessionary use is subject to a number of restrictions as shown in **[Annex 7]**.

1.7.4 The Central Services Director has brought forward proposed charges for all users of the Chamber, which are set out at **[Annex 8]**. Annual income from the hire of the Chamber is approximately £2,500, and it is estimated that the proposed charges will generate additional income of £150.

1.8 Tonbridge Castle Wedding Charges

- 1.8.1 The current wedding charges were agreed by Cabinet on 4 February 2010 (Decision D100009CAB). Members agreed a charge of £625 for weddings in the Chamber and £935 for weddings in the Gatehouse for 2010/11. Charges of £650 and £980 respectively were also agreed for 2011/12.
- 1.8.2 The current charges at a number of premises licensed for Civil Marriages are shown in **[Annex 9]**.
- 1.8.3 Weddings are often booked more than one year in advance and applications are now being received for 2011/12. It is, therefore, necessary to consider a charge for implementation from 1 April 2012, as Members have already agreed the charges for 2011/12. The Central Services Director has proposed an increase of around 5% for the following charges in 2012/13, which will generate additional net income of £700:

	Current Charge 2010/11 (£)	Agreed Charge 2011/12 (£)	Proposed Charge 2012/13 (£)
Weddings			
• Chamber	625	650	685
• Gatehouse	935	980	1030
Renewal of Vows/Baby Naming			
• Chamber	445	470	495
• Gatehouse	740	780	820

NB: Non-returnable deposit - £100

1.9 2011 Summer Playscheme Charges

- 1.9.1 Attached at **[Annex 10]** is a copy of the 2011 charges, together with a comparison with Maidstone Borough Council. Income from the Summer Playscheme charges in 2010 was £49,100.
- 1.9.2 Members will note from **[Annex 10]** that the full weekly charge for the Summer Playscheme in 2010 was £35.00. This entitled children to 20 hours of supervised activities, equating to £1.75 per hour. Registration levels in 2010 were slightly down compared to previous years, with 75% of available spaces booked. Encouragingly, of the parents completing the 2010 Summer Playscheme market survey, 100% felt the scheme was good value for money.
- 1.9.3 In order to meet the needs of those parents who are considered to be financially disadvantaged, very significant reductions are offered to Leisure Pass holders. In 2010 a weekly charge of £10.00 per family was applied to Leisure Pass holders, with no limit on the number of children attending from the same family. Whilst this level of concession is very generous and far greater than that applied by Maidstone Borough Council, it does achieve significant results, with 15% of

children attending the 2010 Summer Playscheme from families with a Leisure Pass.

- 1.9.4 In order to support large families, parents are only required to pay for their first two children, and children referred by KCC Social Services are funded by the County Council. Discounts are also offered to parents booking 2-3 weeks (5%) or all four weeks (10%).
- 1.9.5 A proposed list of charges for 2011 is shown in **[Annex 10]** showing an increase of £1 on the weekly charge. It is felt that following significant increases to the charges in the last two years, the reduction in registration levels in 2010 and the current financial climate, that only a minimal charge should be applied.
- 1.9.6 It is proposed that existing discount concessions for those on low income should be retained, with parents in possession of a Leisure Pass paying £11 per week for all children within their family. This will continue to ensure that the Playscheme remains socially inclusive, with cost not presenting a barrier to those families most in need wishing to send their children. With regard to the daily standby charge it is proposed to increase this by £1, retaining the policy of encouraging parents to book for the full week.
- 1.9.7 It is anticipated that additional income of £1,400 will be generated from the proposed increase in charges, which will be reflected in the 2011/12 revenue budget reported to Finance & Property Advisory Board on 5 January 2011.

1.10 Legal Implications

- 1.10.1 The Council's Financial Rules require that all fees and charges must be reviewed at least once a year, and be reported to the appropriate Advisory Board.

1.11 Financial and Value for Money Considerations

- 1.11.1 In setting charges for 2011/12 Members are reminded that VAT is due to increase to 20% from 1 January 2011. Where charges are VAT inclusive, Members need to be aware that an increase is needed to pay the additional VAT over to HM Revenues and Customs. The proposals within this report have taken into account both economic and VAT factors and Members will note that, in the main, they represent only a very modest increase to the Council's revenue stream.
- 1.11.2 To aid Members, all proposed charges presented in this report are inclusive of VAT, with the exception of charges for the Cemetery **[Annex 4]** and the Summer Playscheme **[Annex 10]** which are exempt.

1.12 Risk Assessment

1.12.1 As highlighted in paragraph 1.1 to this report, the proposed charges take into account a range of factors including market conditions and customer feedback and have been brought forward within the context of the Council's Medium Term Financial Strategy.

1.12.2 There is clearly a risk in proposing increased charges that those people on a low income and from target groups will no longer be able to afford to take part in activities and benefit from a healthy lifestyle. The wide range of concessions available within the charging structure and the Leisure Pass scheme are, therefore, essential to ensure the Council's leisure facilities and services are available to all. There is also clearly a risk of increasing prices in light of current economic conditions.

1.13 Equality Impact Assessment

1.13.1 See 'Screening for equality impacts' table at end of report

1.14 Policy Considerations

1.14.1 Community, Equalities/Diversity, Healthy Lifestyles, Young People.

1.15 Recommendation

1.15.1 It is, therefore, **RECOMMENDED TO CABINET** that:

- 1) the proposed charges for Poult Wood Golf Centre as detailed at **[Annex 2]** be agreed and implemented with effect from 1 April 2011;
- 2) the proposed pitch hire charges for Tonbridge Sportsgrounds as detailed at **[Annex 3]** be agreed and implemented with effect from 1 April 2011;
- 3) the proposed charges for Tonbridge Cemetery as detailed at **[Annexes 4 and 5]** be agreed and implemented with effect from 1 April 2011;
- 4) the proposed charges for Tonbridge Castle Chamber and the associated list of concessionary users as shown at **[Annexes 6, 7, and 8]** be approved, and implemented from 1 April 2011;
- 5) the proposed charges for Weddings in 2012/13 at Tonbridge Castle be agreed as detailed in the report **[Annex 9]**;
- 6) the proposed charges for the 2011 Summer Playscheme as detailed at **[Annex 10]** be approved;
- 7) the charges for car parking at Leybourne Lakes and Haysden Country Parks be reviewed at a future meeting of the Car Parking Charges Advisory Board.

Background papers:

Nil

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Robert Styles
Chief Leisure Officer

Sharon Shelton
Director of Finance

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	Not applicable
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	The proposed charges include a range of concessions for senior citizens, juniors, students, people with disabilities and those on low income designed to encourage access for all.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Not applicable

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.