

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

13 October 2008

Report of the Chief Leisure Officer

Part 1- Public

Matters for Information

1 LEISURE FACILITIES – FINANCIAL PERFORMANCE

Summary

Management information summaries for Larkfield Leisure Centre, Angel Centre, Tonbridge Swimming Pool, Poulton Wood Golf Centre, Tonbridge Castle/Customer Services, Tonbridge Cemetery and Poulton Wood Grounds Maintenance are shown at [Annexes 1 – 7].

1.1 Leisure Services Business Unit – Overall Financial Performance

1.1.1 The Board's attention is drawn to the Leisure Services Business Unit's overall financial position, which was below profile by £154,700 at the end of August 2008. Expenditure overall is above profile by £91,350 due in the main to extremely high utilities charges at the leisure facilities. Income overall is £63,350 below target. The financial performance continues to be closely monitored in liaison with the Director of Finance and Management Team.

1.1.2 The Board will note that many positive measures designed to mitigate the deficit are in place. These include the implementation of energy savings measures approved in the current Capital Plan at a cost of £120,000, which should be completed by Christmas. Additionally, a moratorium has been placed on recruitment, and staffing levels across the Leisure Services Business Unit are being closely monitored.

1.1.3 The Leisure Contracts Manager is also critically reviewing opening hours and programming issues and a major sales campaign related to health and fitness will be launched on 1 October. Further income generating and savings initiatives are being actively considered and will be reported to Management Team within the context of the Council's overall financial position.

1.2 Larkfield Leisure Centre

1.2.1 The Board will note at [Annex 1] that the contract is currently below profile by £48,750. Expenditure is above profile by £18,400 however the overspend in utilities amounts to £27,200 highlighting a saving in other areas of expenditure of £8,800. Income is £30,400 below target and although swimming and coaching

income are performing well, fitness income is trading at 10% below profile, producing a shortfall of £24,350.

1.3 Angel Centre

1.3.1 The Board will note at **[Annex 2]** that this contract is currently below profile by £55,500. Expenditure is above profile by £25,500. Gas and electricity charges have not yet impacted at Angel Centre, however high water and sewerage charges account for £14,850 of the overspend. Income is £30,000 below target with fitness and sports hall income trading at 6% and 20% below profile to the end of August 2008.

1.4 Tonbridge Swimming Pool

1.4.1 The Board will note at **[Annex 3]** that this contract is currently below profile by £61,400. Expenditure is £58,450 above profile, and again, utilities expenditure accounts of £31,750 of the overspend. The remaining overspend mainly relates to employee relating expenses and all other areas of expenditure are generally performing to profile. Income is below profile by £2,950 with swimming trading well at £11,500 above target. The net profit on catering remains on target, but the poor weather during the summer has affected the games hut income, which is £7,900 below target.

1.5 Poult Wood Golf Centre

1.5.1 Despite poor weather during the summer months, trading at Poult Wood Golf Centre was relatively good, and at the end of August green fees were £22,000 below profile. Works are due to progress shortly on the irrigation scheme, and despite this causing some disruption to users it is hoped that by offering a discount usage will not be adversely affected.

1.6 Tonbridge Castle/Customer Services

1.6.1 The summer months have, as usual been a busy period at the Castle. There continues to be a broad mix of enquiries including core Council services such as housing, benefits, parking, planning and concessionary travel, alongside the peak of tourism enquiries and visitors to the Gatehouse. Members will be pleased to learn that the Housing Advice services which came back "in-house" earlier this year continue to be well used at the Castle. In August alone there were over 240 face-to-face enquiries which were dealt with by Housing Advisors alongside the Customer Services staff.

1.6.2 As Members will be aware Kent County Council have confirmed their capital contribution of £250,000 to the development of the Gateway. Tenders are in hand for the building work and, subject to there being satisfactory submissions, work will be on site prior to Christmas. A full report on the details of this project will be submitted to a meeting of the Customer Services Advisory Board later this year.

1.7 Tonbridge Cemetery

1.7.1 Income at the Cemetery is above profile for the first five months of the financial year **[Annex 6]**, particularly in relation to interments and the lease of columbaria vaults/plaques.

1.8 Poult Wood Grounds Maintenance

1.8.1 The Board will note at **[Annex 7]** that this contract is currently above profile by £11,000 due to savings in most areas of expenditure.

1.9 Legal Implications

1.9.1 None.

1.10 Financial and Value for Money Considerations

1.10.1 Collectively, the facilities covered by this report generate income and expenditure in excess of £4.5m per annum.

1.11 Risk Assessment

1.11.1 Taking into account the levels of income and expenditure involved, it is essential that the financial performance of the facilities are closely monitored, and any issues are identified and addressed at an early stage. Any significant variations in financial performance could have a major impact on the Council's revenue budget.

1.12 Policy Considerations

1.12.1 Community, Customer Contact.

Background papers:

Nil

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