

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

12 January 2009

Joint 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 2009/10

Summary

This report outlines charging proposals in respect of Poulton Wood Golf Centre, Tonbridge Cemetery, Tonbridge Castle Council Chamber, the Summer Playscheme, pitch hire for Sportsgrounds in Tonbridge and car parking at the Council's two Country Parks. The report concludes that additional estimated income accruing to the Council from the proposed charges will be £43,600. The charges for the Council's indoor leisure facilities, operated by the Leisure Services Business Unit, are reported separately in these papers.

1.1 Introduction

- 1.1.1 In bringing forward the charging proposals for 2009/10 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, market position, trading patterns, the current rate of inflation 4.2% (Retail Price Index) at the time of writing this report), 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.
- 1.1.2 The proposed charges for 2009/10 have also taken into account the set of guiding principles for the setting of fees and charges approved at Finance and Property Advisory Board on 1 October 2008 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 Tonbridge Sports Association has considered the charges in respect of Poult Wood Golf Centre and Sportsground pitches and "consider these to be reasonable and fair".

1.3 Poult Wood Golf Centre

- 1.3.1 In bringing forward the charging proposals for 2009/10 consideration has been given to a range of factors, including the Centre's policy objectives, market position, trading to date in 2008/09, competing facilities and customer feedback.
- 1.3.2 There are a number of key issues which have affected the proposals brought forward:

- Usage of the golf courses at Poult Wood Golf Centre over the first eight months of the current financial year is 7.60% below profile. This reflects the extremely wet weather in April 2008 and the poor weather during the summer months.
- Whilst it is clear that a number of economic factors are having an impact on customers' disposable income, the performance of Poult Wood Golf Centre to date has been encouraging, reflecting the facility's emphasis on good value for money, and the quality of both courses.
- The golf market is highly competitive, with private sector courses no longer requiring golfers to hold handicap certificates, and offering "two play for the price of one" discounts.
- The market strategy for Poult Wood Golf Centre is to reward customer loyalty, with substantial reductions for discount card holders.
- The 2007 market survey results for Poult Wood Golf Centre indicated that the majority of users of both the 18-hole and 9-hole courses rated the green fees as satisfactory or above. (Surveys are undertaken every two years at the facility).
- The 9-hole course continues to face strong local competition from other 9-hole courses in Tonbridge and Hildenborough.
- Significant discounts are offered to senior citizens, juniors/students and leisure pass holders, reflecting the Council's policy of fair access for all.

1.3.3 The charging proposals in respect of Poult Wood Golf Centre, together with comparative charges at neighbouring public competing facilities, are outlined at **[Annex 2]**. The proposed charges represent an increase generally in line with inflation (Retail Price Index).

1.3.4 It is proposed to maintain the charges for discount card holders at the existing level. Cardholders receive discounts of up to 16% on green fees, and a 5% discount on purchases in the golf shop.

1.3.5 The on-site clubhouse contractor has stated that he wishes to increase the charges for the squash courts in line with inflation. Under the contractual arrangements all squash income accrues to the contractor.

1.3.6 Members will be pleased to note that e-bookings and payments for the 18-hole course have been available at Poult Wood Golf Centre since January 2006, with bookings made via the facility website (www.poultwoodgolf.co.uk). This is in line with the Government's e-government requirements.

- 1.3.7 Members of the Poulton Wood Golf Centre Customer Panel are being consulted individually on the proposals, and their views will be made available at the meeting.
- 1.3.8 The proposed increase in charges for green fees outlined in the report will generate additional income of £30,200 which has been reflected in the 2009/10 revenue budget reported to the Finance & Property Advisory Board on 7 January 2009.
- 1.3.9 Poulton 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 Poulton Wood, and the proposed charges for 2009/10 reflect this position. The focus for Poulton 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 Sportsground – Pitch Hire Charges

- 1.4.1 This Council has an agreed policy with Tonbridge Sports Association of increasing pitch hire charges to local sports clubs by the October Retail Price Index (4.2%) and rounded to the nearest pound. The charges for 2009/10 have, therefore, been prepared in accordance with the existing formula.
- 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, as part of the Angel Leisure Centre Management Contract. The additional income accruing from the proposed charges for pitch hire is £1,400.

1.5 Tonbridge Cemetery – Proposed Charges 2009/10

- 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 the proposed charges are increased in line with inflation (rounded up to the nearest pound) 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 £1,300 which has been reflected in the 2009/10 revenue budget reported to the Finance & Property Advisory Board on 7 January 2009.

1.6 Tonbridge Castle Chamber – Hire Charges

1.6.1 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.

1.6.2 Four 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.

1.6.3 The list of concessionary users was agreed by Cabinet on 14 January 2008 (Decision D080032CAB) and no amendments are proposed **[see Annex 6]**. Concessionary use is subject to a number of restrictions as shown in **[Annex 7]**.

1.6.4 The Customer Services Manager has brought forward proposed charges for all users of the Chamber, which are set out at **[Annex 8]**. The Customer Services Manager has stated that it is anticipated that no additional income will accrue to the Council in 2009/10, due to the impact of the building works taking place at the Castle.

1.7 Tonbridge Castle Wedding Charges

1.7.1 The current wedding charges were agreed by Cabinet on 5 February 2008 (Decision D080032CAB). Members agreed a charge of £550 for weddings in the Chamber and £825 for weddings in the Gatehouse for 2008/09. Charges of £600 and £900 respectively were also agreed for 2009/10.

1.7.2 The current charges at a number of premises licensed for Civil Marriages are shown in **[Annex 9]**.

- 1.7.3 The Castle is operating in an increasingly competitive market for weddings and, bearing in mind changes in the economy and current building works, it is suggested that a modest increase is applied.
- 1.7.4 Weddings are often booked more than one year in advance and applications are now being received for 2010/11. It is, therefore, necessary to consider a charge for implementation from 1 April 2010, as Members have already agreed the charges for 2009/10. The Customer Services Manager has proposed an increase of between 3.75-5% for the following charges in 2010/11, which will generate additional net income of £700:

	Current Charge 2008/09 (£)	Agreed Charge 2009/10 (£)	Proposed Charge 2010/11 (£)
Weddings			
• Chamber	550	600	625
• Gatehouse	825	900	935
Renewal of Vows/Baby Naming			
• Chamber	375	425	445
• Gatehouse	660	715	740

NB: Non-returnable deposit - £100

1.8 2008 Summer Playscheme Charges

- 1.8.1 Attached at **[Annex 10]** is a copy of the 2008 charges, together with a comparison with Maidstone Borough Council. Income from the Summer Playscheme charges in 2008 was £43,647.
- 1.8.2 Members will note from **[Annex 10]** that the full weekly charge for the Summer Playscheme in 2008 was £22.00. This entitled children to 20 hours of supervised activities, equating to just over £1.00 per hour. 81% of parents completing the 2008 Summer Playscheme market survey felt this charge was “about right” and reflected good value for money with 8% stating that they would be willing to pay more. The charge is comparable to that applied by Maidstone Borough Council in 2008.
- 1.8.3 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 2008 a weekly charge of £7.00 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 16% of children attending the 2008 Summer Playscheme from families with a Leisure Pass.

- 1.8.4 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 them.
- 1.8.5 A proposed list of charges for 2009 is shown in **[Annex 10]**. At the present time the income received from charges for the Summer Playscheme, equates to a quarter of total expenditure. It is felt that in the light of the Council's overall financial position, the opportunity should be taken to make the scheme more cost-effective, particularly bearing in mind the quality of provision, the low cost of the Scheme to parents in comparison with other supervised activities for children, and most importantly the extensive concessions in place for those on low income. It is, therefore, proposed to increase the weekly cost of the Scheme to £29, which still equates to only £1.45 per hour. Whilst it is recognised that the proposed charge does represent a significant increase on the existing level, it is hoped that this will not deter levels of interest in the Scheme, and those who are financial disadvantaged will remain protected by only a minor increase being applied to the concessionary rates. For example, those parents in possession of a Leisure Pass will only pay £8 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 to the Scheme. With regard to the daily standby charge it is proposed to increase this in proportion to the weekly rate, retaining the policy of encouraging parents to book for the full week.
- 1.8.6 It is anticipated that additional income of £10,000 will be generated from the proposed increase in charges which has been reflected in the 2009/10 revenue budget.

1.9 Country Parks – Car Parking

- 1.9.1 Members will be aware that charges for car parking at Haysden Country Park were introduced for the first time in 2008/09, at the same level as Leybourne Lakes Country Park. The existing charges for both facilities are detailed below:

	Existing Charges 2008/09
Up to 4 hours	60p
4 hours and over	£2.40

- 1.9.2 In addition, Members will be aware that a season ticket was also introduced at Haysden Country Park, at an annual cost of £25. The season ticket enables parking at all three of the car parks serving the Country Park.
- 1.9.3 At Leybourne Lakes Country Park, annual income from car parking charges is £15,200 (2008/09 original budget). Despite a 10 pence increase last year, income to date has been above profile, and it is anticipated that the revised budget for 2008/09 will be £16,000.
- 1.9.4 At Haysden Country Park the annual income for 2008/09 was predicted to be £17,500. Due to additional consultation with users of the Park, the charges were

not introduced until 23 July 2008 and, therefore, no income was taken during the first three months of the financial year, which would be considered to be peak months in terms of usage/income.

- 1.9.5 Despite the delay in the introduction of the charges, income of £10,220 has been taken to the end of November 2008, which is considered to be encouraging. This has included the sale of 191 season tickets. The income achieved to date would suggest that the original annual income prediction of £17,500 was realistic.
- 1.9.6 Whilst the introduction of the charges at Haysden was unpopular amongst a number of users of the Park, the first few months of operation have worked reasonably well, with only a minimal number of operational difficulties. A number of issues in the Haysden Water and Audley Rise car parks are being addressed in liaison with the local Members, and a number of improvements to both these areas are being progressed. These works include renewal/repair of the surfacing at Haysden Water Car Park and a programme of initiatives to address residents' concerns regarding roadside parking along Audley Avenue. The initiatives in Audley Avenue include an enhanced concession for members of the resident angling club, alterations to the existing height barrier, liaison with local landowners to discourage unauthorised parking and some minor alterations to double yellow lining in the area.
- 1.9.7 In addition, a formal request has been received from the Secretary of the Barden Road Residents Association and Neighbourhood Watch for the Council to consider the installation of a ticket machine in the Audley Rise car park. The Secretary of the Association has stated that "the current situation, where only annual season ticket holders can use the car park, is leading to many occasional users parking in the surrounding roads and even occasionally on the green space just outside the car park. We do not believe that having ticket machines in the car park would increase traffic but it would reduce the surreptitious parking in surrounding roads".
- 1.9.8 With regard to the proposed charges for 2009/10 it is suggested that the existing charges for both Country Parks remain unchanged. At the January 2010 meeting of this Board it is suggested that in addition to a review of the charges, the option to introduce a joint season ticket for both Country Parks be considered.

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 The adjustments in income (excluding VAT) which the proposed charges would be expected to generate are £43,600. The additional income is summarised as follows:

Facility / Service	Additional Net Income (£)
Poult Wood Golf Centre	30,200
Pitch Hire – Tonbridge Sportsground	1,400
Tonbridge Cemetery	1,300
Tonbridge Castle Council Chamber	0
Tonbridge Castle Wedding Charges	700 ⁽¹⁾
Summer Playscheme	10,000
Country Park Car Parks	0
TOTAL	43,600

⁽¹⁾ additional income relates to 2010/11.

1.11.2 The additional net income shown above has been included in the revenue estimates reported to Finance and Property Advisory Board on 7 January 2009.

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.

1.13 Policy Considerations

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

1.14 Recommendation

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

- 1) the scale of charges for Poult Wood Golf Centre as detailed at **[Annex 2]** be agreed and implemented with effect from 1 April 2009;
- 2) the proposed increase in pitch hire charges for Tonbridge Sportsgrounds as detailed at **[Annex 3]** be agreed and implemented with effect from 1 April 2009;
- 3) the scale of charges for Tonbridge Cemetery as detailed at **[Annex 5]** be agreed and implemented with effect from 1 April 2009;

- 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 2009;
- 5) the proposed charges for Weddings in 2010/11 at Tonbridge Castle be agreed as detailed in the report;
- 6) the proposed charges for the 2009 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 the January 2010 meeting of this Board, including the potential introduction of a joint season ticket for both facilities.

Background papers:

Nil

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