

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

12 January 2009

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 £202,450 at the end of October 2008. Expenditure overall is above profile by £107,000 due in the main to extremely high utilities charges at the leisure facilities. Income overall is £95,900 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 proactive marketing initiatives, with the most recent campaign offering a discounted three month Lifestyles membership, netting income of just over £40,000 across the leisure facilities in October 2008.

1.2 Larkfield Leisure Centre

1.2.1 The Board will note at [Annex 1] that the contract is currently below profile by £95,800. Expenditure is above profile by £22,300 however the overspend in utilities amounts to £37,500 highlighting a saving in other areas of expenditure of £15,200. Income is £73,500 below target, with swimming slipping to £7,000 below target and fitness and coaching income trading at 8% and 7% below profile respectively.

1.3 Angel Centre

1.3.1 The Board will note at [Annex 2] that this contract is currently below profile by £51,100. Expenditure is above profile by £25,750. Gas and electricity charges have not yet impacted at Angel Centre, however high water and sewerage

charges account for £17,700 of the overspend. Income is £25,350 below target and although fitness and sports hall income are trading at 4% and 13% below profile to the end of October 2008, both have improved in recent months.

1.4 Tonbridge Swimming Pool

1.4.1 The Board will note at **[Annex 3]** that this contract is currently below profile by £62,950. Expenditure is £65,900 above profile, and again, utilities expenditure accounts for £29,500 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 above profile by £2,950 with swimming trading well at £6,800 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 Works to the irrigation system for the 18-hole course began in October and have been progressing well with little disruption to customers. Unfortunately the weather has continued to be poor, which has adversely affected usage and as a consequence income. At the end of November green fees were £38,000 down as shown at **[Annex 4]**.

1.6 Tonbridge Castle/Customer Services

1.6.1 Face-to-face visits by customers to Tonbridge Castle were roughly the same as last year for the months of October and November 2008. However, there was a significant increase in the numbers recorded during September 2008 by over thirteen hundred on the previous year. This was largely due to tourist information enquiries, shop sales, organised events, payment help, benefit, council tax, bus and rail, and parking enquiries.

1.6.2 The Tonbridge Gateway project is now under way. The three separate groups (the main Officer Study Group project group, the Buildings Sub-Group and the Service Model Group) each meet regularly on a monthly basis. The next stage for the Officer Study Group will be to carry out an update presentation for interested parties at the next Tonbridge Forum, hopefully January 2009. This will be followed by an invitation to our potential partners to attend an open day which will be held mid/end of February 2009 arranged by the Service Model Sub-Group. The Buildings Sub-Group arranged for the portacabins to be delivered on the 1 December 2008 and fitted with the necessary IT, telephone connections made ready for the customer service staff to move into their temporary accommodation on Friday 15 December 2008. The same day that the contractors went on site to prepare for building works to start at beginning of January 2009.

1.7 Tonbridge Cemetery

1.7.1 Income at the Cemetery is above profile for the first seven months of the financial year **[Annex 6]**, with all areas showing minor increases with the exception of Memorial Permits, 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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