

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

22 September 2010

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, Country Parks Car Park Income and Poulton Wood Grounds Maintenance are shown at [Annexes 1-8].

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 (LSBU) overall financial position. Expenditure overall is below profile by £88,860 and income overall is £180,320 below target resulting in a below profile position of £91,460 at the end of July 2010.

1.1.2 It is important to note, however, that a £300,000 adjustment was allocated to the LSBU in 2010/11 to take account of the ongoing economic climate. This sum has been profiled across the financial year and the profile to the end of July 2010 totalled £110,090. Taking into account the economic adjustment, the overall financial position was £18,630 above profile at the end of July 2010.

1.1.3 The financial performance continues to be closely monitored in liaison with the Director of Finance and Management Team.

1.2 Larkfield Leisure Centre

1.2.1 This contract was £3,600 below profile, at the end of July 2010, as shown at [Annex 1].

1.2.2 There were expenditure savings of £47,600 mainly in staffing and utilities. It should be noted that a gas rebate of £13,380 was received recently, as part of the flexible procurement of utilities arrangement. Expenditure also includes £8,380 relating to the refurbishment of the Invicta Studios, which will be funded from the LSBU Reserve.

1.2.3 Income was £51,200 below target. Lifestyles Fitness continued to trade well at £19,120 above target at the end of the period. Fitness membership sales remained strong and the recent three month membership campaign proved very successful. However swimming and coaching course income were below profile by £10,160 and £25,980 or 96% and 78% of target respectively.

1.3 Angel Centre

1.3.1 This contract was below profile by £35,380 at the end of the period, as shown at **[Annex 2]**.

1.3.2 Expenditure savings totalled £28,160. The main savings were in staffing and utilities, and again a gas rebate of £3,500 was received in July 2010.

1.3.3 Overall income for the contract was £63,540 below target. All areas of income have been affected, but Lifestyles Fitness, Sports Hall and coaching income are of particular concern. Lifestyles Fitness income was £12,680 below profile or 89% of target, with the Sports Hall and coaching below target by £13,180 and £8,770 respectively.

1.4 Tonbridge Swimming Pool

1.4.1 This contract was below profile by £60,300 at the end of July 2010 as shown at **[Annex 3]**.

1.4.2 Expenditure was underspent by £5,280 with savings relating mainly to permanent staffing and utilities. Again, a gas rebate of £4,070 was received in July.

1.4.3 Overall income for the contract was below target by £65,580. In addition to casual swimming which traded below profile by £7,550 or 96% of target, the health suite and coaching course income have also fallen short of target by £12,830 and £18,870 respectively. In addition, the net profit on catering was £15,630 below target at the end of July 2010.

1.5 Poult Wood Golf Centre

1.5.1 Green fee income for the first four months of the financial year was £51,000 below profile **[Annex 4]**. Results of the National Sports Marketing Survey of golf courses have shown that this decline in usage is a national trend, and not particular to Poult Wood. Factors that have contributed to this reduction in addition to weather, include the Football World Cup and Wimbledon as well as the uncertain and challenging financial climate. The survey reports that 2010 is the first year in the last five that the survey has been conducted where the average number of rounds played has fallen from May to June.

1.5.2 Marketing at Poult Wood Golf Centre has attempted to respond to the challenging climate by increasing awareness of the Centre as a destination for golf, incorporating incentives for golfers to bring additional players and discounts for

golfers playing at quieter times - including during the World Cup tournament. Advertisements have been placed weekly in the Kent Messenger newspaper often on the back page, and fortnightly in the Courier newspaper and magazine. The package with the KM Group has also included a large radio presence with sponsorship of the daytime show and adverts throughout the day and evening. Poster campaigns and leaflet distribution has also taken place including at the Lions Carnival and community days. Take up of the offers and awareness of the Centre has been positive with a number of new customers coming to the course.

1.6 Tonbridge Gateway/Castle

- 1.6.1 Tonbridge & Malling has been in partnership with Kent County Council at Tonbridge Gateway for over a year. The joint working continues to be successful with increasing customer visits each month. There are now 17 partner organisations at Gateway and HMRC and Kent Probation are soon to join them. The Gateway team carry out a variety of services for customers in addition to the operation of the Gatehouse attraction, wedding bookings and tourist information through both telephony and face-to-face operations.
- 1.6.2 The income for the Castle attraction is slightly down on expected, weddings are higher than expected, solemnisation of marriages and Castle Chamber are on target **[Annex 5]**.

1.7 Tonbridge Cemetery

- 1.7.1 Overall, income at the Cemetery is £997 below profile for the first four months of the financial year 2010/11 **[Annex 6]**. Whilst the lease of Columbaria Vaults/Plaques was above profile, there has been a reduction in the purchase of graves, memorial permits and interments.

1.8 Country Parks Income

- 1.8.1 Total income from the Council's two Country Parks is £2,225 above profile for the first four months of the financial year 2010/11 **[Annex 7]**. This increase is mainly due to increases on the mobile catering contracts.

1.9 Poulton Wood Grounds Maintenance

- 1.9.1 This contract was above profile by **£7,830** by the end of July 2010, as shown at **[Annex 8]**.
- 1.9.2 Expenditure savings relate mainly to staffing. Close monitoring in all areas of the contract is ongoing. The contract performance and standards of ground maintenance remain very high.

1.10 Legal Implications

- 1.10.1 None.

1.11 Financial and Value for Money Considerations

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

1.12 Risk Assessment

1.12.1 Taking into account the levels of income and expenditure involved, it is essential that the financial performance of the facilities is 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.

1.13 Policy Considerations

1.13.1 Community, Customer Contact.

Background papers:

Nil

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