

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

1 March 2011

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 overall financial position. The report compares performance to revised profiles which no longer take into account the economic adjustment but refer to actual expected year end outcomes. There is an overall saving in expenditure of **£47,818** but overall income is **£60,878** below target resulting in a below profile position of **£13,060** at the end of **December 2010**. The Board will recognise that the inclement weather experienced through December had a significant impact on income levels at all three sites. The financial performance continues to be closely monitored in liaison with the Director of Finance and Management Team.

1.1.2 In addition, expenditure of **£14,726** will be supported by the Leisure Services Business Unit Reserve and external funding. Taking this into account, the overall financial position was **£1,666** above profile at the end of December 2010.

1.2 Larkfield Leisure Centre

1.2.1 This contract was **£5,198** below profile at the end of December 2010, as shown at [Annex 1].

1.2.2 Expenditure savings at Larkfield Leisure Centre amounted to £32,324 and were mainly in staffing, utilities and premises expenses. The savings in utilities included rebates in electricity and gas as a result of the flexible procurement of utilities arrangement. Expenditure also includes £11,380 relating to the refurbishment of the Invicta Studios, which will be funded from the Leisure Services Business Unit Reserve and an upgrade to the Dance Mats funded by the Primary Care Trust.

1.3 Income was £37,522 below target. Despite this, attention is drawn to Lifestyles Fitness income, which has continued to trade above target at the half year. A successful three month membership campaign in October assisted this strong performance in a very competitive market. Swimming income, however, traded at £9,264 below profile primarily due to the snow in December.

1.4 Angel Centre

1.4.1 This contract was above profile by **£10,368** at the end of December 2010, as shown at **[Annex 2]**.

1.4.2 Expenditure savings totalled £16,080 across all major expenditure heads. Again the utilities savings included electricity and gas rebates. In addition, expenditure includes £3,000 relating to the upgrade of the Dance Mat System, which is supported by funding from the Primary Care Trust.

1.4.3 Overall income for the contract was £5,712 below target. Lifestyles Fitness income was £2,538 below profile, with coaching and other activities below target by £6,850. Marketing campaigns targeting these income streams are ongoing. Community and Sports Hall bookings were £1,928 and £3,273 above profile respectively.

1.5 Tonbridge Swimming Pool

1.5.1 This contract was below profile by **£18,051** at the end of December 2010 as shown at **[Annex 3]**.

1.5.2 Expenditure was underspent by just £407 with savings relating mainly to supplies and services and utilities. The electricity and gas rebates were £2,330 and £4,070 respectively. Permanent staffing and water costs were a little above profile.

1.5.3 Overall income for the contract was below target by £17,644. Casual swimming has been particularly badly affected by the snow and was trading at £9,934 below target. In addition, the net profit on catering was £5,224 below target at the end of December 2010.

1.6 Poulton Wood Golf Centre

1.6.1 Catering income was particularly affected by the snow and difficult travelling conditions in the last quarter with many festive parties being cancelled. As a consequence Par 4 Catering failed to trade above the contract threshold level so no additional payment was made to the Council.

1.6.2 Snow and wet weather led to the golf courses being closed for over 30 days during the last quarter, clearly impacting heavily upon both usage and income. Total income to the end of January 2011 was £126,000 below profile

1.6.3 National and local golf market trends provided by IFM Sports Marketing Surveys indicate that December usage was down over 50% for the South of England.

1.6.4 Encouragingly, income for November and January exceeded the previous year, with this January recording the second highest income in the last five years.

1.7 Tonbridge Gateway / Castle

1.7.1 Tonbridge & Malling have now been in partnership with Kent County Council at Tonbridge Gateway for over a year. The joint working continues to be a success with increasing customer visits each month. We receive requests from many partner organisations wishing to join the Gateway. There are currently 17 partner organisations at Gateway which are a mix of KCC, TMBC and Charitable organisations. HMRC will be joining in March 2011. The charging for partners to occupy a space at Gateway will come into effect from April 2011. 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 multi-access channels, online, telephony and face-to-face.

1.7.2 Expenditure is down and income up for the Castle attraction, weddings, solemnisation of marriages and Castle Chamber bookings which are higher than expected **[Annex 5]**.

1.8 Tonbridge Cemetery

1.8.1 Overall, income at the Cemetery is £1,347 above profile for the first ten months of the financial year **[Annex 6]**. Whilst the use of the Chapel and the lease of Columbaria vaults/plaques were below profile, an increase has been seen in the purchase of graves, memorial permits and interments.

1.9 Country Parks Income

1.9.1 Overall income at the two Country Parks is marginally (£246) below profile for the first ten months of the financial year **[Annex 7]**.

1.10 Poulton Wood Grounds Maintenance

1.10.1 This contract exceeded profile by £8,450 as shown at **[Annex 8]**.

1.10.2 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.

1.11 Legal Implications

1.11.1 None.

1.12 Financial and Value for Money Considerations

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

1.13 Risk Assessment

1.13.1 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.

1.14 Policy Considerations

1.14.1 Community, Customer Contact.

Background papers: Nil

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