

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

12 December 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 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. There is an overall saving in expenditure of £9,515 but below target income of £319,835 resulting in a below profile position of £310,320 at the end of September 2011. The financial performance continues to be closely monitored in liaison with the Director of Finance and Management Team.

1.1.2 The Board may recall that, as in the previous year, a £300,000 adjustment was allocated to the LSBU in 2011/12 to take account of the ongoing economic climate. This sum has been profiled across the financial year and the profile to the end of September 2011 totalled £165,040. In addition, expenditure of £3,028 will be supported by the LSBU Reserve and taking these issues into account, the overall financial position was £144,252 below profile at the end of September 2011.

1.2 Larkfield Leisure Centre

1.2.1 This contract was £82,849 below profile at year end as shown at **[Annex 1]**.

1.2.2 Expenditure savings at Larkfield Leisure Centre amounted to £45,083 and were mainly in staffing, utilities and premises related expenses. The savings in utilities included rebates of £7,406 on gas and electricity as a result of the flexible procurement of utilities arrangement.

1.3 Income was £127,932 below target. Despite this, attention is drawn to Lifestyles Fitness income, which was trading 3% or £8,000 above target, but it should also be noted that swimming and coaching course income were trading £20,900 and

£31,450 below target respectively. In addition, soft play continued to trade poorly, at £31,800 below target due primarily to increased competition in the local area.

1.4 Angel Centre

- 1.4.1 This contract was below profile by £82,345 at the end of September 2011 as shown at **[Annex 2]**.
- 1.4.2 Expenditure was close to budget, at £1,618 overspent, with small overspends in staffing and supplies and services, but savings in all other budget heads, including utilities, relating to electricity and gas rebates.
- 1.4.3 Overall income for the contract was £80,727 below target, with Lifestyles Fitness trading £23,158 below target. In addition income for the Sports Hall and Meeting Rooms were below target by £11,545 and £9,646 respectively.

1.5 Tonbridge Swimming Pool

- 1.5.1 This contract was below profile by £146,035 at the end of September 2011 as shown at **[Annex 3]**.
- 1.5.2 Expenditure was overspent by £34,858, due in the main to higher than anticipated gas, electricity, water and sewerage charges relating to the refilling and heating of the outdoor pool. There was also an over spend in supplies and services relating to the increased cost of chemicals. Expenditure also included an unbudgeted cost of £3,000 to cover the purchase of signage and barriers following the introduction of the Barefoot Policy in the Changing Village, which is supported by reserve funding. All other expenditure budgets were on or close to target.
- 1.5.3 Overall income for the contract was below target by £111,176. Casual swimming was trading at £43,473 below target and has been particularly badly affected by the wet summer and the closure of the pools over the Easter weekend due to technical difficulties with the chlorine gas supply.

1.6 Poult Wood Golf Centre

- 1.6.1 Further to the details outlined in the Leisure Services charges report, reported earlier in these papers, Members will be pleased to note a much improved position at Poult Wood Golf Centre with an additional 4,000 rounds of golf being played in comparison to last year, generating additional income of £45,000 **[Annex 4]**.

1.7 Tonbridge Gateway/Castle

- 1.7.1 This Council has now been in partnership with Kent County Council at Tonbridge Gateway for two years. The joint working continues to be a success with increasing customer visits and customer transactions. The Gateway Manager often receives requests from external organisations wishing to join the Gateway and there is a waiting list. There are currently 18 physical partner organisations at

the Gateway, which are a mix of public and voluntary sector organisations. Charging for partners to occupy a space at Gateway came into effect on 1 April 2011. The Gateway team carry out a variety of services for its 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 At the close of business on the 31 October 2011, expenditure was slightly up and income was above expected for the period. **[Annex 5]**.

1.8 Tonbridge Cemetery

- 1.8.1 Overall, income at the Cemetery was £2,419 below profile for the first seven months of the financial year 2011/12 **[Annex 6]**. Whilst interments, the lease of Columbaria vaults/plaques and the purchase of memorial permits were below profile, an increase has been seen in the purchase of the graves.

1.9 Country Parks Income

- 1.9.1 Overall income at the two Country Parks is marginally above profile for the first seven months of the financial year 2011/12 **[Annex 7]**.

1.10 Poulton Wood Grounds Maintenance

- 1.10.1 This contract was above profile by £909 at the end of September 2001 as shown at **[Annex 8]**.
- 1.10.2 Overall expenditure was well controlled and produced a small saving despite the rising costs of materials. 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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