

TONBRIDGE & MALLING BOROUGH COUNCIL

LEISURE and ARTS ADVISORY BOARD

28 February 2012

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. The figures relate to the period to the end of December 2011 and are compared to the revised estimates for 2011/12. There is an overall saving in expenditure of £39,949 and above target income of £78,969 resulting in an above profile position of £118,918 at the end of December 2011. In addition, expenditure of £3,028 will be supported by the LSBU Reserve and taking this into account, the overall financial position was £121,946 above profile at the end of December 2011. The financial performance continues to be closely monitored in liaison with the Director of Finance and Management Team.

1.1.2 It is encouraging to note that around two thirds of the surplus to profile is due to over achievement in income rather than savings. The third quarter of the financial year saw an upswing in income against the revised estimate. Particularly strong performance was seen in fitness sales including a one off '100 Days of Fitness' campaign in October, casual swimming was strong at both sites and course income related to the continuous assessment Swim School continues to grow.

1.2 Larkfield Leisure Centre

1.2.1 This contract was £64,311 above profile at the end of December 2011 as shown at [Annex 1].

1.2.2 Expenditure savings at Larkfield Leisure Centre amounted to £21,816 and were mainly in utilities and supplies and services related expenses. The savings in utilities included rebates of £16,800 on gas and electricity as a result of the flexible procurement of utilities arrangement.

1.2.3 Income was £42,495 above target. Key areas of performance above profile include Lifestyles Health & Fitness and casual swimming which were £11,500 and £6,400 above profile respectively. Income from the change to a continuous assessment Swim School continues to grow as up to 75% of customers are now electing to pay by Direct Debit.

1.3 Angel Centre

1.3.1 This contract was above profile by £29,543 at the end of December 2011 as shown at **[Annex 2]**.

1.3.2 Expenditure savings at Angel Centre amounted to £15,223 and were mainly in staffing and utilities. The savings in utilities included rebates of £4,500 on gas and electricity as a result of the flexible procurement of utilities arrangement.

1.3.3 Overall income for the contract was strong in all areas and £14,320 above target, with Lifestyles Fitness and Sports Hall income £9,200 and £3,000 above profile respectively.

1.4 Tonbridge Swimming Pool

1.4.1 This contract was above profile by £23,113 at the end of December 2011 as shown at **[Annex 3]**.

1.4.2 Expenditure was marginally overspent by £2,069, due in the main to higher than anticipated electricity, water and sewerage charges relating to the refilling and heating of the outdoor pool and despite rebates in the order of £9,000 on gas and electricity as a result of the flexible procurement of utilities arrangement. There was also an overspend in supplies and services relating to the increased cost of chemicals. Expenditure also included an unbudgeted cost of £3,028 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.

1.4.3 Overall income for the contract was above target by £22,154. Casual swimming was trading at £12,200 above with catering net profit also around £3,600 above expectation.

1.5 Poulton Wood Golf Centre

1.5.1 A mild winter period up to the end of January has ensured that usage of the course has continued to exceed profile as shown at **[Annex 4]**.

1.5.2 When conditions have allowed, the main greens have remained in play ensuring that income from each round has been maximised. When conditions have deteriorated the use of hedgehog wheels on trolleys has enabled play to continue without a trolley ban being introduced. Income is £22,000 above profile to the end of January and £83,000 better compared to the same period last year.

1.6 Tonbridge Gateway/Castle

- 1.6.1 This Council has been in partnership with Kent County Council at Tonbridge Gateway for over two years, and the facility is offering a wide range of services to the general public. Joint working continues to be a success with customer satisfaction surveys reaching 96% overall satisfaction. There are currently 15 physical partner organisations working from Gateway, a mix of public and voluntary sector organisations. Charging for partners to occupy a space at Gateway came into effect on 1 April 2011 and although not all partners are charged as they may be funded by KCC or this Council directly, the income from the paying organisations is rising and we are expecting an income of approximately £13,000-£14,000 in 2012/13. 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.
- 1.6.2 At the close of business on the 31 January 2012, expenditure shows as under spending (or over recovering) and income was slightly above expected for the period **[Annex 5]**.

1.7 Tonbridge Cemetery

- 1.7.1 Overall, income at the Cemetery was £3,043 above profile for the first ten months of the financial year 2011/12 **[Annex 6]**. Whilst the lease of Columbaria vaults/plaques, use of the chapel and the purchase of memorial permits were below profile, an increase has been seen in the purchase of the graves and interments.

1.8 Country Parks Income

- 1.8.1 Overall income at the two Country Parks is £1,828 above profile for the first ten months of the financial year 2011/12 **[Annex 7]**.

1.9 Poult Wood Grounds Maintenance

- 1.9.1 This contract was above profile by £4,979 at the end of December 2011 as shown at **[Annex 8]**.
- 1.9.2 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.

1.10 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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