

TONBRIDGE & MALLING BOROUGH COUNCIL

COMMUNITIES ADVISORY BOARD

01 March 2016

Report of the Director of Street Scene, Leisure & Technical Services

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 TONBRIDGE AND MALLING LEISURE TRUST - REVIEW OF CHARGES 2016/17

Summary

This report brings forward a review of core charges for each facility managed on the Council's behalf by the Tonbridge and Malling Leisure Trust for Members consideration and approval.

1.1 Background

1.1.1 Members will be aware that the Tonbridge and Malling Leisure Trust has been operating independently from the Council since 1 November 2013 managing the Council's main leisure facilities under contract. The facilities include Larkfield Leisure Centre, Poulton Wood Golf Centre, Tonbridge Swimming Pool, the Angel Centre, Tonbridge Farm All-Weather Area and Pitch Hire in Tonbridge.

1.2 Review of Core Charges

1.2.1 The Council's Management Agreement with the Leisure Trust states that as part of the Annual Service Planning Process the Core Pricing Schedule shall be reviewed by both parties for implementation from 1 April each year.

1.2.2 Whilst the Trust is entitled to reduce Core Prices at any time, it requires the Council's prior written consent to any increases in Core Prices which are in excess of the Consumer Price Index (CPI). CPI is calculated at the rate set on the 1 November preceding the annual review. For November 2015 that rate was - 0.1%.

1.2.3 In determining fees and charges the Trust is required to have regard to:

- its own charitable objectives
- the needs of the local community
- the development of a balanced programme

- the Council's key priorities
- the Council's policy for pitch hire charges
- the viability of the Trust
- the prevailing market conditions
- pricing of other leisure facilities in the area

1.2.4 Given that the rate of CPI is negative and taking into account wider factors including trading patterns, the local market and competitor analysis the Trust has proposed a nil increase in charges in 2016/17 with two exceptions; Poult Wood Golf Centre Concessionary Charges and the Concessionary Casual Gym charge.

1.2.5 Attached at **[Annex 1]** is a schedule of the existing and proposed core charges brought forward by the Trust for Member consideration and approval. Individual percentage increases have been shown.

1.3 Poult Wood Golf Centre Concessionary Charges

1.3.1 It is the Trust's ambition to grow the membership base at Poult Wood Golf Centre to balance the peaks and troughs of casual usage throughout the year that can be particularly affected by the weather. Membership also offers regular golfers financial benefits for their commitment.

1.3.2 The introduction of a membership scheme by the Trust at Poult Wood Golf Centre has been successful and continues to grow. The Trust has advised that it has broadly managed to achieve income targets above those prior to the introduction of a membership option.

1.3.3 In bringing forward these proposals the Trust has broadly applied the principles shown above at 1.2.3 though has advised that their main objective is to reduce the differential between the Casual Concessionary Rate and the benefits of Membership. In order for Membership to be attractive to more golfers the Trust has advised that a multiplier of around 35 rounds per annum would generally be applied. This means that a golfer playing once a week through the year would then be attracted to membership rather than continuing to pay casually.

1.3.4 For Poult Wood Golf Centre to achieve this level of multiplier for the 5 day Membership the Trust advise that the current weekday concessionary charges needs to rise significantly in percentage terms. The Trust has also advised that the proposed increases within this report will only go part way to achieving the desired multiplier of 35.

- 1.3.5 The Trust is proposing that the Membership rate remains static though are seeking to increase the following concessionary charges;

Activity	Current Charge (2015/16)	Proposed Charge (2016/17)
OAP/Leisure Pass, Discount Cardholder (18 Hole, Weekday)	£10.50	£12.00
OAP/Leisure Pass, Visitor (18 Hole, Weekday)	£12.00	£14.00
OAP/Leisure Pass, One Round (9 Hole, Weekday)	£4.50	£5.00

- 1.3.6 The Trust has advised that the proposed charges are still competitive in the local market with comparable pay and play golf courses at both Lullingstone (Sevenoaks) and Cobtree Manor (Maidstone) charging £16.00 for the same 18 hole concession. There is a £10.50 charge for the 9 Hole course at Lullingstone and there is no 9 Hole course at Cobtree Manor.
- 1.3.7 In considering the proposal for Poulton Wood, it is relevant to note the older profile of users at the facility and that the proposed increase will impact on a significant number of current users. Whilst the concept to reduce the differential is understood and does have commercial merit, it is felt that an increase on the scale proposed is too great and should be introduced more gradually over the next two years.

1.4 Concessionary Casual Gym Charge

- 1.4.1 Similarly, the Trust is seeking to increase the Concessionary Casual Gym Use charge at both Larkfield Leisure Centre and the Angel Centre. It is proposed that both increase by 60p from the current £4.40 to £5.00.
- 1.4.2 The Trust has advised that the proposed increase to £5.00 is still good value for money and is favourable to Sevenoaks at £5.05 and Maidstone at £5.30. It is felt appropriate to support the proposal.

1.5 Tonbridge Sportsgrounds – Proposed Pitch Hire Charges 2016/17

- 1.5.1 This Council has an agreed policy with Tonbridge Sports Association of amending pitch hire charges to local sports clubs by the October Retail Price Index and rounded to the nearest pound. The Retail Price Index for October 2015 was 0.7% and it is, therefore, proposed that charges be increased in accordance with this indexation. The Tonbridge Sports Association has been consulted and is happy with this approach.
- 1.5.2 The sports pitch income is taken by the Tonbridge & Malling Leisure Trust as part of the Council's Management Agreement.

1.6 Legal Implications

- 1.6.1 The Council's Management Agreement with the Trust states that the Trust shall require the Council's prior written consent to any increases in Core Charges which are in excess of CPI.
- 1.6.2 It is felt that the proposed Core Charges take account of the criteria set out in the Management Agreement.

1.7 Financial and Value for Money Considerations

- 1.7.1 The Transfer to the Leisure Trust has made a significant contribution to the Council's savings. The financial performance of the Trust continues to be positive.

1.8 Risk Assessment

- 1.8.1 None.

1.9 Equality Impact Assessment

- 1.9.1 Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this paper directly impact on end users. The impact has been analysed and varies between groups of people. The results of this analysis are set out immediately below. As highlighted earlier within the report the proposed charges may have an impact on a reasonable number of older people, given the user profile of Poult Wood Golf Centre; which has been addressed by a phased introduction of the proposed increase over the next two years.
- 1.9.2 Asset Management, Community, Healthy Lifestyles, Human Resources, Procurement, Young People

1.10 Recommendations

- 1.10.1 It is RECOMMENDED TO CABINET that:
- 1) the proposed Leisure Trust Core Charges outlined in **[Annex 1]** to this report be approved and implemented from 1 April 2016 with the exception of the concessionary rates at Poult Wood;
 - 2) The proposed concessionary rates at Poult Wood be introduced over a two year period;

- 3) pitch hire charges at Tonbridge Sportsgrounds be increased as outlined within the report for implementation from 1 April 2016.

The Director of Street Scene, Leisure and Technical Services confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

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Nil

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