

ANGUS COUNCIL

**CONTRACT SERVICES COMMITTEE - 23 APRIL 2002
RECREATION AND CULTURAL SERVICES COMMITTEE - 25 APRIL 2002****LEISURE MANAGEMENT SPECIAL PROMOTION****JOINT REPORT BY THE CONTRACT SERVICES MANAGER AND
DIRECTOR OF LEISURE SERVICES****ABSTRACT**

The purpose of this report is to keep the Committee apprised on the "Hot Card" special promotion and to delegate authority to the Contract Services Manager and the Director of Leisure Services to run a further promotional campaign in the summer period.

1. RECOMMENDATION

The Committee is asked to note the contents of this report and to delegate authority for a further promotional campaign to be run in the summer period.

2. BACKGROUND

Report 1276/2001 gave an analysis of the income of the leisure facilities for the current and the previous two financial years. The report highlighted a downward trend and reported that on the basis of actuals (then) to date there was likelihood that income would be down on budget.

In order to try and reverse this trend Contract Services and Leisure Services were given approval to run a promotional campaign to try and raise awareness of the Council's leisure facilities in Angus and encourage new use. The aims and objectives of the "Hot Card" promotional campaign were:

- To Increase utilisation of facilities
- To increase revenue
- To attract non-users to the facilities
- To highlight and encourage use of other activities to existing users

3. CURRENT POSITION

During the campaign period 1762 Hot Cards were sold at £19 each including VAT. The total income for the Council (excluding VAT) was therefore almost £28,500. The total cost of the promotion was some £6,000; this figure including all employee, printing, advertising and other promotion costs. It should however be appreciated that this expenditure was within the Contract Services' marketing budget for the year.

It will not be possible to fully assess the impact of the promotion until the figures to the end of March have been collated and analysed. However figures to the end of February suggest that the predicted shortfall in the income budget has been largely retrieved.

Appendix 1 shows the split between regular and new users who purchased Hot Cards. As can be seen, 15% were either new users or previous users who had been encouraged back into the Centres. While the multiple purchases amounted to 17% of the sales there were very few people who bought more than two cards.

Appendix 2 shows the use that has been made of the Hot Card and not surprisingly the fitness suite has proved to be the most popular, with coached classes also being popular. It should be noted that the fitness suites provide in the region of 30% of the income taken at the Centres.

Appendix 3 gives a graphic indication of the additional use that is being made of the Centres excluding Hot Card use.

The foregoing indicates that the promotion was beneficial and this will be further commented on when the figures for the year are available.

Following on from this the Committee is asked to delegate to the Contract Services Manager in consultation with the Director of Leisure Services and Director of Finance the preparing and running of a further promotional campaign during the summer months. The outcome of any further promotional campaign would be reported to the Committee at a later date.

4. FINANCIAL IMPLICATIONS

The indications are that the campaign has been successful in playing a part in retrieving an adverse income budget position.

5. HUMAN RIGHTS IMPLICATIONS

There are no Human Rights implications arising from this report.

6. CONSULTATION

The Chief Executive, Director of Finance and the Director of Law and Administration have been consulted in the preparation of this report.

7. CONCLUSIONS

The campaign has been worthwhile, not just in playing a part in retrieving the income budget position but also in raising the profile of the Council and its facilities. This can only assist the department and Council in meeting overall objectives. The efforts and dedication of the staff involved is to be commended.

M P Graham
Contract Services Manager
7 March 2002

J R Zimny
Director of Leisure Services

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.