

ANGUS COUNCIL

ENVIRONMENTAL AND LEISURE SERVICES COMMITTEE –16 OCTOBER 2003

LEISURE MANAGEMENT FINANCIAL PERFORMANCE

JOINT REPORT BY THE DIRECTOR OF LEISURE SERVICES & CONTRACT SERVICES
MANAGER**ABSTRACT**

To advise Members on the current income levels in comparison to the previous year taking account of the impact of Direct Debit as a method of payment.

1. RECOMMENDATION(S)

It is recommended that the Committee note the report.

2. INTRODUCTION

Report number 1178/02 approved the introduction of Direct Debit as a method of payment for access to the sports centres and swimming pools. The report also anticipated that the introduction of these charges would not have an adverse affect on income. The following figures show the current income generation for the first four months of this financial year.

3. CURRENT SITUATION

The following information covers the period 1 April 2002 – 31 July 2002 and compares it to the corresponding dates for 2003.

Total Income (£)

	1st April, 2002 – 31st July, 2002	1st April, 2003 – 31st July, 2003
Arbroath Sports Centre	81,817	91,126
Brechin Leisure Centre	18,956	21,757
Carnoustie Leisure Centre	34,076	38,910
Forfar Swimming Pool	31,148	35,277
Lochside Leisure Centre	45,357	52,887
Montrose Sports Centre	34,550	43,463
Montrose Swimming Pool	40,504	48,062
Saltire Leisure Centre	39,192	51,989
Webster's Sports Centre	47,612	49,208
TOTALS	373,192	432,679

Direct Debit Income (£)

	April 2003	May 2003	June 2003	July 2003
Arbroath Sports Centre	2,032.62	1,986.50	2,325.74	2,394.88
Brechin Leisure Centre	1,086.70	1,104.24	1,438.53	1,687.06
Carnoustie Leisure Centre	1,037.50	955.35	1,290.09	1,131.48
Forfar Swimming Pool	618.59	712.58	844.98	737.90
Lochside Leisure Centre	1,800.22	1,874.47	2,123.15	2,114.62
Montrose Sports Centre	1,383.54	1,298.05	1,869.42	1,959.03
Montrose Swimming Pool	1,810.20	2,065.86	2,467.05	1,906.20
Saltire Leisure Centre	3,279.32	3,151.08	3,624.13	3,663.75
Webster's Sports Centre	549.00	511.68	648.00	1,076.77
TOTALS	13,597.69	13,659.81	16,631.29	16,671.69

User Numbers

	1 st April, 2002– 31 st July, 2002	1 st April, 2003– 31 st July, 2003
Arbroath Sports Centre	79,690	88,758
Brechin Leisure Centre	18,218	20,323
Carnoustie Leisure Centre	67,244	73,025
Forfar Swimming Pool	23,803	25,555
Lochside Leisure Centre	62,885	64,171
Montrose Sports Centre	59,362	66,911
Montrose Swimming Pool	33,794	36,748
Saltire Leisure Centre	74,391	83,737
Webster's Sports Centre	45,670	51,156
TOTALS	465,057	510,384

The tables show that the income for the four-month period has risen from £373,192 to £432,679 an increase of £59,487.

The total amount collected by Direct Debit income was £60,560.48 and it was calculated that if users had been paying cash rather than Direct Debit the income would have been slightly higher at £63,041.79. This equates to a theoretical 'lost income' value of £2,481.31.

It should also be noted that the total users for the same period has gone up from 465,057 to 510,384, an increase of 45,327. It is highly probable that this increase in usage is directly related to the Direct Debit scheme. The increase in income and usage has the affect of reducing the subsidy levels for the facilities and will also improve PI's.

4. FINANCIAL IMPLICATIONS

There are no Financial Implications associated with this report.

5. HUMAN RIGHTS IMPLICATIONS

There are no Human Rights Issues associated with this report.

6. CONSULTATION

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

7. CONCLUSION

The figures are encouraging with both total income and total attendances being up on the previous year. The element of theoretical 'lost income' is reasonable and reflects the industry pattern in that within the first year of introduction of a direct debit scheme, usage by direct debit members is very high, this then falling back to normal levels after an initial period. Overall the theoretical loss of £2481.31 is insignificant compared to the overall income generation by the Direct Debit scheme and increased income currently being generated.

JOHN R ZIMNY
DIRECTOR OF LEISURE SERVICES

M P GRAHAM
CONTRACT SERVICES MANAGER

NOTE: 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.