



## **Report to the Performance Review Scrutiny Committees**

**Subject: Leisure Services - Adverse Net Budget Variance**

**Date: 1<sup>st</sup> December 2008**

**Chair of Working Party: Councillor C Barnfather**

**Members of Working Party: Councillors P Blandamer, P Hughes,  
M Shepherd, R Tait, A Wright**

**Author: Chair of the sub group**

### **1. Purpose of the Report**

- 1.1 To meet with Leisure Services Officers and the Portfolio Holder for Leisure Services and to investigate the reasons behind the adverse net budget variance reported on page 49 of the First ¼ Performance Digest 2008.

### **2. Background**

- 2.1 At the last meeting of this Committee (8<sup>th</sup> September 2008) it was agreed that a Member subgroup be convened for the sole purpose of exploring the adverse net budget variance reported on page 49 of the First ¼ Performance Digest 2008.

This indicated that:

Leisure Services income is currently being reviewed, based on the actual to date figures for 2008/09 and out-turn figures for 2007/08, it is anticipated that across the five leisure centres operated by Gedling Borough Council, there will be a projected income shortfall of £325,000 by the end of the financial year, whilst offset somewhat by the removal of the CSL consultancy fees of £25,000 there will still be a net shortfall of £300,000.

It also states that the current budget provision allows for income of £4,685,200 compared to the latest outturn of £4,360,000 overall.

### **3. Proposals**

- 3.1 That members read this report and appendices, noting the questions and discussion topics that took place at the 5<sup>th</sup> November meeting with Leisure Services Officers and the Portfolio Holder for Leisure Services.

### **4. Methodology**

- 4.1 The Working party produced a series of questions which they felt to be relevant to the topic under discussion and invited the Head of Leisure Services, Keith Tansley and a number of senior Leisure Services personnel to produce written responses and supportive documentary submissions for a subsequent meeting with the group.

See Appendix 1 and 2

- 4.2 The Working Party met with the following personnel on Wednesday 5<sup>th</sup> November 2008:

Leisure Services Portfolio Holder: Councillor W Golland  
Head of Leisure Services: Keith Tansley  
Jayne Cox: Leisure Facilities Officer  
Johann Polak: Fitness Promotion Officer  
Claire Spencer: Leisure Finance Officer  
Marie Clay: General Manager Carlton Forum Leisure Centre  
Andy Fretwell: General Manager Arnold, Calverton & Redhill Leisure Centres

Claire Reeves: Consultant employed by Club Success Limited

- 4.3 Following introductions of all present by Keith Tansley the Chair gave the background to the meeting as identified in 2.1 above.
- 4.4 Keith Tansley and Councillor Golland gave a verbal background to the provision of leisure services within Gedling Borough, outlining the statutory requirements placed on the Authority and the variety of additional leisure services provided in accordance with accepted Council policies and agreements and in support of the over arching vision of the council 'Healthy, Green, Safe and Clean'.

See Appendix 1 Pages 1 - 3

- 4.5 Jayne Cox then gave a detailed presentation on the current and projected budgetary situation at each of the leisure centres operated by the department and the context of the projected income shortfall.  
See Appendix 1 Pages 3 – 20
- 4.6 Johan Polak spoke in detail to his report 'Review of the DNA Health and Fitness Options'.  
  
See Appendix 2
- 4.7 The original questions as posed by the Working Party were discussed, both in terms of the written responses contained within Appendix 1 and with further relevant supplementary questions.
- 4.8 Claire Reeves from Club Success Limited, who has been acting as a consultant to the Leisure Service Department, was asked questions regarding the national perspective on leisure provision, the impact of commercial competition to council run services and the significant effect that the current national financial crisis was currently having and was likely to have in the future on leisure income.
- 4.9 She spoke positively of the work currently being undertaken within the department to address the current budget shortfall and it was noted by the Working Party that her services were being given for free at this time due to her contractual link to income performance.
- 4.10 Discussion centred around the current level of provision, the need to keep equipment and services updated and the level of charges being made in comparison to commercial competitors and adjacent authorities.
- 4.11 It was noted that pricing within Gedling Borough was very much in line with other authorities both locally and nationally for comparable levels of equipment and service.
- 4.12 Keith Tansley concluded the presentation and question and answer session by highlighting the key areas of action as at Page 11 Appendix 2.
- 4.13 The meeting concluded at 7.00pm
- 4.14 Subsequent to the meeting Councillors Barnfather and Tait visited the new JJB leisure facility at Netherfield, identified as a principal source of competition to Carlton Forum leisure centre, inspected the facilities and noted the pricing regime.

## **5. Conclusions**

- 5.1 The Leisure Services Portfolio Holder and Head of Leisure are both fully aware of the current financial difficulties being experienced by the department and are fully engaged, with relevant personnel, in exploring all potential options to address the situation and redress the income shortfall.
- 5.2 Commercial competitors are capable of providing high level leisure provision at prices with which we cannot currently compete; this has had a significant impact on council facilities and income.
- 5.3 The current economic situation will, if anything exacerbate the income shortfall as consumers cut back on non-necessities in order to reduce their outgoings.
- 5.4 Whilst the running down of leisure facilities and the closure of one or more leisure centres is clearly an option it would at this present time, following significant recent investment in buildings and equipment, be counter productive in terms of projected income.
- 5.5 Whilst it is accepted that the closure or removal of a facility may produce long term cost savings it can, in the short term, only further reduce projected income.
- 5.6 Such an option would be counter to the council's own policies and vision and whilst nothing should ever be permanently ruled out, would entail a significant deviation from current strategies as supported by all groupings within the council, of providing quality, equitable and affordable leisure provision across the borough.

## **6. Recommendations**

- 6.1 Leisure Services be allowed the opportunity to address the current income shortfall by the positive measures and promotions currently identified and in some cases already in place.
- 6.2 Continue with close monitoring of leisure usage, current income and future realistic income and shortfall projections to be maintained by the Portfolio Holder, Head of Service and Head of Corporate Services in order to manage the situation as effectively as possible. Cabinet and Performance Scrutiny Committee to continue to monitor using the performance information provided.
- 6.3 That this report and its recommendations be passed to Cabinet for its information and observations.

**PERFORMANCE SCRUTINY COMMITTEE WORKING PARTY MEETING**

**WEDNESDAY 5<sup>TH</sup> NOVEMBER 2008**

**Examining the Leisure Service Adverse Net Budget Variance**

As requested detailed below are responses to the written questions from the Performance Scrutiny Committee Working Party: -

**1. Q. Please identify the statutory responsibilities of the authority in providing leisure facilities.**

**A.** Leisure Services statutory responsibilities relate only to the provision of allotments and burial land.

**2. Q. What does the authority provide over and above our statutory responsibilities.**

**A.** Leisure Services provides a wide range of services, facilities and activities that are not statutorily required to be provided, they are: -

**a) Five Leisure Centres**

- Carlton Forum Leisure Centre) Joint Use centres provided on
- Calverton Leisure Centre) Nottinghamshire County Council School
- Redhill Leisure Centre) sites
- Arnold Leisure Centre and Theatre
- Richard Herrod Centre

**b) Eight Community Centres**

Seven are operated and managed directly by Leisure Services

- Pond Hills Lane Community Centre
- Arnold Hill Community Centre
- Killisick Community Centre
- Westdale Lane Community Centre
- Wollaton Avenue Community Centre
- Burton Road Community Centre
- Brickyard Community Centre (new in 2007)
- Haywood Road (operated by Haywood Road Community Association)

**c) Parks & Open Spaces**

The department is responsible for a number of open spaces and urban parks around the Borough. We also provide sports pitches with pavilions/changing rooms.

Play Areas

Outdoor youth activity facilities

Woodland

Urban Parks

Country Parks at Burntstump and Bestwood (GBC also own and are responsible for the Bestwood Lodge Hotel at this location)

Cemeteries Management & Burial

Allotments

Mapperley Golf Club

#### **d) Arts & Events**

Arnold Arts Association is based at Pond Hills Lane Community Centre.

Events held throughout the year include the Arnold Carnival, Gedling Show, Arnold Play Day, Carlton Play Day and Proms Concert and we support the Gedling Arts Forum.

We provide funding and support to schools, arts organisations and community groups in developing arts projects and activities.

We also work in partnership with Dance 4, Nottingham Playhouse, Nottingham Jazz House and Nottinghamshire County Council to provide access to a wide range of high quality arts opportunities for Gedling Borough residents of all ages.

We co-ordinate a number of youth arts projects across the Borough, including Rock Schools, Culcha and The Force youth dance groups and we have recently developed a programme in partnership with City Arts to support young people in addressing issues around health and well-being through involvement in the arts.

#### **e) Twinning**

We have a Civic Twinning with the town of Rotenburg in Germany, Messolonghi in Greece (managed through the Nottingham Byron Society) and Vandoeuvre in France, which is an exchange of local groups and organisations.

#### **f) Christmas Lights Switch-on**

We are responsible for arranging the Civic switching on of the Christmas trees at four locations around the Borough.

#### **g) Bonfires**

We liaise and work in partnership with Arnold Town Football Club and the 4<sup>th</sup> Carlton Scout Group.

#### **h) Tourism**

We are a member of Experience Nottinghamshire, a destination management organisation, co-ordinating tourism throughout Nottingham and Nottinghamshire.

#### **i) Sports Development**

We develop locally based sports clubs, including their coaching and business infrastructure. We also assist in recruiting, developing and training volunteers for the clubs and supporting them through grant applications. We support Gedling Sports Forum.

We also co-ordinate and manage our entry into the Nottinghamshire County Council and Nottingham City Youth Games annually.

We have recently secured additional grants from the NHS Nottinghamshire County, Sport England (through their Community Initiative Fund) and the School Sports Partnership to deliver increased participation in sport, to tackle obesity, to improve the quality of life for older people and to improve the emotional health of children.

#### **j) Exercise Promotion**

Our partnership with NHS Nottinghamshire County, which includes funding from this organisation, allows us to deliver the following: -

##### Positive Moves GP Referrals

This is a form of exercise on prescription for residents of the Borough; it is currently oversubscribed.

##### Young Persons Positive Moves

This is the junior provision of the above and involves young people taking part in a 12-week course that includes activities such as gymnastics, swim-fit, dance and football. At the end of the course the young people then move into mainstream club and organisation activity. The course has proven to be so popular with parents that they have organised their own activity allowing the 12-week course for young people to be extended indefinitely.

##### Heartbeats

This is the provision of controlled exercise for people with heart conditions.

##### Get Going in Gedling

This is organised health walks and the development of volunteer health walkers to eventually lead the walks, making them sustainable.

##### Moving More Often

This is a form of exercising for the elderly based at Warden-aided Units.

##### Activity Friends

This is a project where volunteers are trained and then help to mentor other people into regular exercise or some form of activity.

##### MEND (Mind, Exercise, Nutrition, Do it)

This is a weight management programme designed for a minimum of two family members to take part in.

Although, as stated previously, the above are not statutory responsibilities for the

Borough they do all help meet the Boroughs priorities to provide a high quality local environment, a safer community, good health for everyone and a good start in life for children and young people.

**3. Q: Please discuss the 2008/2009 budget in more detail i.e. Gross Figures, Leisure Centre breakdown, Staffing Costs & Numbers**

A: Please see *appendix 1 to 10* for a copy of each leisure centre's budget breakdown by income and expenditure.

In terms of staffing costs, the table below shows the number of full time equivalents and associated costs per site:

	ARNOLD	CALVERTON	CARLTON FORUM	REDHILL	RICHARD HERROD
FTE	17	11	34	14	11
Salaries					
ORIGINAL	£431,500	£278,400	£798,300	£364,100	£278,700
CURRENT	£431,000	£278,200	£797,500	£368,700	£278,400

**4. Q: In what areas of our provision are we self-sufficient i.e. Income matching Expenditure?**

A: It is difficult to break down the costs into activity areas, as this would mean apportioning some of the overall costs such as the building costs, supplies and services, depreciation costs, central establishment charges etc. However, it is possible to say that if these overall costs are not taken into account- some activity areas cover costs, such as- Health and Fitness, Millennium Suite and bars whilst others are more costly and need heavier levels of subsidy e.g. swimming pools, crèches, Positive Moves initiatives. Currently therefore there is a balance to be sought by generating income where possible to help subsidise the less profitable areas.

It is also worth noting that some Leisure Centres are or have been closer to breaking even than others. This is usually due to the mix of activities and facilities that are on offer, the onsite funding arrangements and usage and income levels.

For example Redhill Leisure Centre, which has no expensive wet facilities, currently has a subsidy of £126,100, whilst Arnold has mainly wet facilities and the high subsidy levels to reflect this (£572,400).

An estimation of the financial gain generated by the introduction of DNA has been undertaken and this shows that average gain over the 7 year period is £39,300 per annum. (See *appendix 11*)



**5. Q: To what degree does the General Precept support leisure provision by subsidising expenditure over and above generated income?**

Full details can be found in appendices 1 to 10. The figures for each centre (Including CEC's) are:

Arnold	£572,400
Calverton	£443,000
Carlton Forum	£242,900
Redhill	£126,100
Richard Herrod	£284,700
<b>Total</b>	<b>£1,669,100</b>

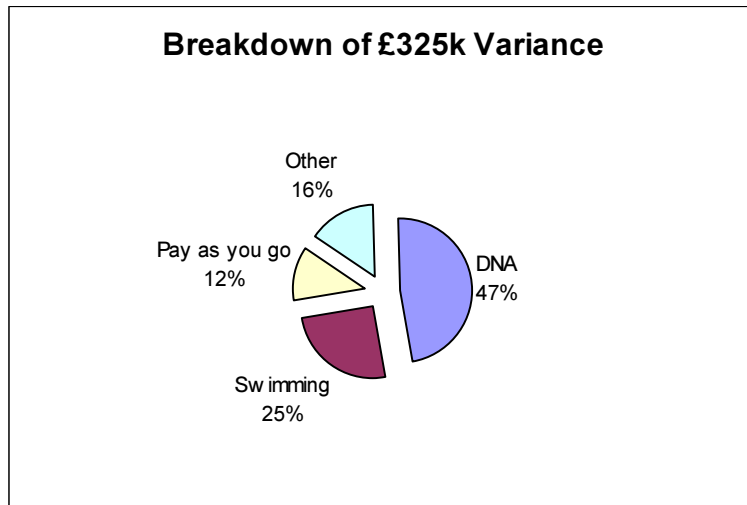
**6. Q: In terms of the overall Leisure Services budgetary profile for 2008/2009 how much, in both real and percentage terms, is the cost of Central Services?**

A: The 5 leisure centres have a combined expenditure of £813,900 contribution to CECs. These include recharges for Leisure HQ as well as corporate support. (See appendix 12 for full breakdown and % split)

**7. Q: Please highlight those areas showing the greatest drop in income this financial year and relate this to actual user numbers.**

	Arnold	Calverton	Carlton Forum	Redhill	Richard Herrod	Totals
<u>DNA</u>	- £1,500	£0	- £121,300	- £30,200	N/A	<b>-£153,000</b>
<b>Pay-as-you-go (fitness suite and exercise options)</b>	£0	- £4,600	- £31,300	- £3,500	N/A	<b>-£39,400</b>
<b>Swimming pool (inc. lessons)</b>	- £36,500	- £5,900	- £38,700	N/A	N/A	<b>-£81,100</b>
<b>Other</b>	- £4,700	- £5,500	- £25,600	- £7,200	- £8,500	<b>-£51,500</b>

The graph shows how the £325k variance is broken down into activity areas:



**NB:**

- DNA is both the joining fee and monthly membership income
- Swimming includes general swim and swimming lessons. This is split by -£31,000 swimming lessons and -£50,100 general swimming.
- Pay as you go includes casual income from the fitness suite and exercise classes. This is split -£16,700 for exercise classes and -£22,700 for the fitness suites.
- 'Other' covers all other areas of income

**8. Q: Please explain from internal review the likely reasons for the drop in income this year.**

A: Almost 50% of the income drop this year is due to income that is not likely to be achieved by the DNA health and fitness scheme. The main reason for this is due to the numbers of DNA members leaving the scheme, for reasons such as increased local competition and the credit crunch. To put this in context in May 2007 DNA income was £74,133, which equated to 3107 members. By September 2008 the monthly DNA income dropped to £61,489, which was 2504 members, so over the 16 months we dropped around 600 members.

The leisure centres have instigated a programme of work over the last 12 months to tackle the issue of reducing DNA members by improving retention of existing customers through staff training and improved customer service delivered through Quest. There has also been the use of a tactical marketing plan to bring in new members and through the restructuring and alteration of pricing to the DNA memberships the scheme is now more competitive. *(For more details please see the DNA report, that has been previously agreed by the Portfolio Holder, in appendix 13)*

25% of the income shortfall is due to reduced numbers of people accessing the swimming pools, which mirrors the national picture. This general decline has recently prompted the DCMS to offer subsidised free swimming to over 60s and under 16s, in an effort to raise awareness and interest in the activity. A number of free swimming promotions have been run by leisure services over the last 12 months including a County-wide free swimming weekend, free swimming session during school holidays and free afterschool swimming sessions during term time.

Further work to maximize usage of the swimming pools is being tackled by re-programming activities at the 3 leisure centres. Work is also under way to improve the number of juniors going through the swimming lesson scheme. Whilst the beginners and intermediate courses are relatively full, many juniors drop out before accessing the advanced classes, which has a knock on effect with income. The current swim scheme review will tackle this issue as well as bringing improvements to the course.

**9. Q: Please discuss the impact of greater 'competition' from commercial rivals in leisure service provision.**

By the end of 2008 there will be 2 major leisure competitors operating gym memberships in Gedling Borough. Cannons on Mapperley Top, will offer an exclusive membership that incorporates wellbeing initiatives. This may impact on the GP referral scheme we operate, but is less likely to be a direct competitor to the DNA scheme due to the price bracket it operates in.

The membership at JJB is comparative in price to the DNA scheme. Since it opened in June/July 2008 there have been an additional 130 DNA customers leave the scheme compared to the same period last year. This local competition will also impact on the numbers of new members joining DNA, as some will prefer to join JJB instead of DNA.

While some councils such as Rushcliffe have benefited from local competition, this is not true for Gedling. In Rushcliffe's case the private gym, David Lloyds, is considerably more expensive than the council run scheme, so many members of David Lloyds are actually downsizing their membership by joining Rushcliffe's scheme, which is considerably cheaper in comparison.

In addition to JJB and Cannons there are a number of smaller gyms operating in close proximity to Gedling such as '30 minute work out for women', Lakeside, Gedling Comprehensive school. The neighboring authority has also invested in health and fitness facilities at Southglade and Ken Martin. It is also much easier for people to purchase home fitness equipment at affordable prices.

Future challenges may come from the 'budget' gyms that are starting to open up in London and Ireland. These gyms have membership prices of £7 to £15, and are run as basic gyms with personal trainers.

**10. Q: Please explain the projected drop in income in a national context.**

A: The Confederation of British Industry (CBI) predicted in February 2008 that the leisure sector, which includes hotels and gyms, would drop by 35% this year. There is also additional information from a collection company called Company Leisure Finance that August 2008 was the month with the highest cancellations of gym memberships, and those memberships of around £29 per month were at most risk of being cancelled.

**11. Q: Please indicate the mid and longer term implications of the current downturn using historical data and future prediction.**

A: The current financial climate in the UK is affecting the level of disposable income households have to spend on non-essential services and products. It is predicted that 2009 will be the first full year of recession since 1991, which indicates the current downturn in leisure income will continue through 2009/10.

This will invariably mean fewer people taking out gym memberships, but also an increased risk of 'sleeping members' (i.e. people who pay a monthly membership fee, but don't actually use the leisure centres) canceling their memberships.

In the policy review at Scrutiny on the 16th September 2008, the Head of Corporate Services reported:

"In high-level financial terms, the Council's position looks less favourable than it has for a number of years. The Council faces significant external budget pressures, including the downturn in the economic climate and housing market and fluctuation in oil prices. These factors are currently impacting on the Council's leisure and land charge income budgets and fuel budgets, resulting in the approval by Council on 3 September of a supplementary estimate of £498,200 for 2008/09. This situation is expected to be ongoing with further increases in energy bills anticipated in 2009/10, which will severely impact on the Medium Term Financial Plan. This may make it more difficult for the Council to develop a Budget/Service Plan that demonstrates progress towards these priorities, as opportunities for any meaningful expansion in the budget will be limited."

**12. On the basis of maintaining current leisure provision are you able to give the Committee any recommendations as to how the Department intends to address the present financial situation and ensure that projected 2008/2009 falls in income can be alleviated.**

A: Over the last 3 years a working group consisting of leisure staff and Members has been charged with the task of investigating the options around leisure procurement (i.e. alternative options for the management of facilities including private/ trust partnerships). The group have discovered a number of issues that impact on this decision, including challenges in the current economic climate, changes to EU procurement legislation and potential partners being more risk adverse and unable to raise capital than in previous years. With this in mind the group felt that there were too many uncertainties at the current time, to make it worthwhile pursuing alternative methods of procurement for leisure centres and that this should be revisited again in five years time. The Working Group has agreed that this be put forward to Cabinet as a recommendation.

Leisure services are constantly looking at ways to deliver efficiency savings by combined purchasing with neighbouring authorities and joint contracts across the centres. There is also a need to improve customer service within the centres, to try and stem the number of people leaving the DNA membership scheme. This is currently being done by the development of customer service standards, which will form part of measurable targets communicated back to customers, which aim to tackle areas highlighted as improvement areas. This is also part of the ongoing continuous improvement toolkit (Quest) which all 5 leisure centres are working with.

The centres are also undertaking programming reviews and a Swimming Review that look at the activity/ lesson programmes, opening hours and operational factors alongside the needs of the Changing Lifestyles Strategy, financial and operational needs. These reports are subject to Portfolio Holder approval.

Given the current and forecasted financial position of both leisure services and the Council, it is possible that future arrangements will need to be made to alleviate the current budget shortfall.

It is important to understand that trying to increase income by increasing prices, especially given the current economic climate, could be counter productive.

If it is not possible to redress the decline in income then the expenditure budgets may be targeted. This could include reduced opening hours, removal of some areas of service (e.g. the crèche facilities), potential closures and redundancies.

Leisure Services will be working with the Corporate Finance Team to identify future changes that need to be made, in order to redress the financial position, whilst minimising the disruption or reduction of services.

## Appendix 1 – Calverton Budget Breakdown (Expenditure)

Account	Account(T)	Subanal	Subanal(T)	Profiled Budget	Original Budget
1000	Employee Salaries	5000	Salary Basic Pay	176,000.00	176,000.00
1000	Employee Salaries	5002	Salary Back Pay	0.00	0.00
1000	Employee Salaries	5006	Salary Casual Staff	55,900.00	55,900.00
1000	Employee Salaries	5008	Salary Non Contractual Overtime	0.00	0.00
1000	Employee Salaries	5026	Sick Pay	0.00	0.00
1000	Employee Salaries	5050	Standby Allowance	0.00	0.00
1000	Employee Salaries	5052	First Aid Allowance	0.00	0.00
1000	Employee Salaries	5058	Unsocial Hours	0.00	0.00
1000	Employee Salaries	5070	Vacancy Provision	-3,400.00	-3,400.00
1100	Agency Staff			0.00	0.00
1200	Instructors Fees	5110	Instructors Fees - General Courses	16,400.00	16,400.00
1300	Employer National Insurance	5300	Nat. Ins. Salaries	11,900.00	11,900.00
1300	Employer National Insurance	5302	Nat. Ins. Instructors	600.00	600.00
1310	Employer Superannuation	5310	Superann. (Salaries)	19,400.00	19,600.00
1510	Employee Advertising			0.00	0.00
1530	Course Fees	5401	Training Expenses General	1,400.00	1,400.00
1630	Professional Fees(ret.incentv)			0.00	0.00
2020	General Repairs	1030	Other General Repairs	11,100.00	11,100.00
2020	General Repairs	1080	Miscellaneous	0.00	0.00
2082	Base Budget Maintenance			8,700.00	0.00
2120	Fuel Oil			17,700.00	17,700.00
2140	Electricity			34,000.00	34,000.00
2150	Gas			3,500.00	3,500.00
2190	NNDR			20,100.00	20,100.00
2220	Water Charges (Metered)			12,500.00	12,500.00
2260	Drainage Charges			1,800.00	1,800.00
2380	Window Cleaning			800.00	800.00
2400	Refuse Collection Charges			2,100.00	2,100.00
2480	Property Insurance			400.00	400.00
2500	Business Interruption			600.00	600.00
2520	Theft & Engineering			500.00	500.00
3150	Public Transport Employees	1765	Parking & Fares	0.00	0.00
3190	Car Allowances - Employees	1740	Mileage	1,300.00	1,300.00
3190	Car Allowances - Employees	1760	Essential Lump Sum	0.00	0.00
4070	Administrative Equipment	1930	General Office Equipment	400.00	400.00
4070	Administrative Equipment	1950	Miscellaneous Equipment	0.00	0.00
4090	Operational Equipment	1940	Equipment, Repairs & Maint.	3,500.00	3,500.00
4090	Operational Equipment	1950	Miscellaneous Equipment	0.00	0.00
4110	Cleaning & Domestic Equipment	1950	Miscellaneous Equipment	2,000.00	2,000.00
4120	Equipment for Hire			700.00	700.00
4170	Chemicals			2,300.00	2,300.00
4175	General Materials	2132	Miscellaneous Materials	5,400.00	3,900.00
4190	Protective Clothing	2243	General Protective Clothing	1,800.00	1,800.00
4215	Stationery	2430	General	1,500.00	1,500.00
4235	Financial Services	4130	Plastic Card Charges	500.00	500.00
4240	Security Services	2550	Cash Collection	1,900.00	1,900.00
4250	Consultancy Fees	2320	Leisure Membership	0.00	1,100.00
4290	Telephones	2770	External Lines	1,800.00	1,800.00
4290	Telephones	2780	Paybox Phones	0.00	0.00
4385	Criminal Records Bureau Pay'ts			600.00	600.00
4435	Publicity & Promotion			2,000.00	2,000.00
4445	Licences	3240	Licensing miscellaneous	0.00	0.00
4445	Licences	3242	Leisure Dept Entertainment	1,700.00	1,700.00
4518	Miscellaneous Insurances			4,000.00	4,000.00
4528	D.N.A Expenditure	2600	Aquaterra Fees	1,100.00	1,100.00
4528	D.N.A Expenditure	2605	D.N.A. Publicity & Promotion	600.00	600.00
4528	D.N.A Expenditure	2607	D.N.A Marketing	1,300.00	1,300.00
4535	Crime Prevention			1,000.00	1,000.00
4550	Quality Assurance			400.00	400.00
7000	Information Technology			8,700.00	8,700.00
7010	Safety Officer			5,400.00	6,100.00
7020	Personnel Services			28,800.00	28,800.00
7040	Procurement Officer			200.00	200.00
7060	Postages			200.00	200.00
7110	Estates			100.00	100.00
7220	Leisure Admin			20,600.00	20,600.00
7230	Leisure Resources			4,200.00	4,200.00
7240	Leisure Facilities			35,800.00	35,800.00
7250	Building Services			26,900.00	27,100.00
7310	Accountancy			7,300.00	7,300.00
7320	Payroll			4,400.00	4,400.00
7330	Creditors			1,500.00	1,500.00
7380	Debtors			100.00	100.00
7400	Cash Control			2,300.00	2,300.00
7430	Resources			1,000.00	1,000.00
7440	Audit			100.00	100.00
8130	Deprcn - Veh, Plant & Equipment			8,300.00	8,300.00
8140	Amortisation Charges			95,000.00	95,000.00
8240	Other Cap. Fin. Interest			100.00	100.00
TOTAL EXPENDITURE				678,800.00	670,800.00









## Appendix 5 – Redhill Budget Breakdown (Expenditure)

Account	Account(T)	Subanal	Subanal(T)	Profiled Budget	Original Budget
1000	Employee Salaries	5000	Salary Basic Pay	242,700.00	242,700.00
1000	Employee Salaries	5002	Salary Back Pay	0.00	0.00
1000	Employee Salaries	5006	Salary Casual Staff	37,900.00	37,900.00
1000	Employee Salaries	5008	Salary Non Contractual Overtime	0.00	0.00
1000	Employee Salaries	5026	Sick Pay	0.00	0.00
1000	Employee Salaries	5070	Vacancy Provision	-4,700.00	-4,700.00
1100	Agency Staff			0.00	0.00
1200	Instructors Fees	5110	Instructors Fees - General Courses	44,400.00	44,400.00
1300	Employer National Insurance	5300	Nat. Ins. Salaries	15,500.00	15,500.00
1300	Employer National Insurance	5302	Nat. Ins. Instructors	1,100.00	1,100.00
1310	Employer Superannuation	5310	Superann.(Salaries)	31,100.00	26,500.00
1510	Employee Advertising			0.00	0.00
1530	Course Fees	5401	Training Expenses General	400.00	400.00
1560	Travelling Training	5400	Training Expenses(Payroll)	0.00	0.00
1630	Professional Fees(ret.incentr)			300.00	300.00
2020	General Repairs	1030	Other General Repairs	7,200.00	7,200.00
2020	General Repairs	1070	Football	0.00	0.00
2020	General Repairs	1080	Miscellaneous	0.00	0.00
2020	General Repairs	1120	Prevent/Repair Vandalism	0.00	0.00
2082	Base Budget Maintenance			11,000.00	0.00
2100	External Grounds Maintenance	1690	Routine Ground Maintenance	6,100.00	6,100.00
2130	Solid Fuel			8,200.00	8,200.00
2140	Electricity			14,500.00	14,500.00
2190	NNDR			25,800.00	25,800.00
2220	Water Charges (Metered)			2,000.00	2,000.00
2260	Drainage Charges			3,400.00	3,400.00
2380	Window Cleaning			200.00	200.00
2400	Refuse Collection Charges			1,400.00	1,400.00
2480	Property Insurance			400.00	400.00
2500	Business Interruption			1,300.00	1,300.00
2520	Theft & Engineering			400.00	400.00
3150	Public Transport Employees	1765	Parking & Fares	0.00	0.00
3190	Car Allowances - Employees	1740	Mileage	900.00	900.00
3190	Car Allowances - Employees	1760	Essential Lump Sum	0.00	0.00
4070	Administrative Equipment	1940	Equipment,Repairs & Maint.	500.00	500.00
4070	Administrative Equipment	1950	Miscellaneous Equipment	0.00	0.00
4090	Operational Equipment	1940	Equipment,Repairs & Maint.	5,600.00	5,600.00
4090	Operational Equipment	1950	Miscellaneous Equipment	0.00	0.00
4090	Operational Equipment	2280	Planned Maint	0.00	0.00
4100	Recreational Equipment	1940	Equipment,Repairs & Maint.	0.00	0.00
4100	Recreational Equipment	1970	Spinning Bikes	1,300.00	1,300.00
4100	Recreational Equipment	2000	Gaming Machine Rental	0.00	1,000.00
4100	Recreational Equipment	2030	Sports Hall/Gym	4,000.00	4,000.00
4110	Cleaning & Domestic Equipment	1950	Miscellaneous Equipment	2,400.00	2,400.00
4120	Equipment for Hire			600.00	600.00
4130	Equipment Rental	2374	Photocopier Rental	600.00	600.00
4175	General Materials	2132	Miscellaneous Materials	9,500.00	7,000.00
4190	Protective Clothing	2243	General Protective Clothing	1,200.00	1,200.00
4215	Stationery	2430	General	1,400.00	1,400.00
4235	Financial Services	2370	Other	0.00	0.00
4235	Financial Services	4130	Plastic Card Charges	500.00	500.00
4240	Security Services	2550	Cash Collection	2,100.00	2,100.00
4240	Security Services	2552	Security General	0.00	0.00
4245	Other Services	2600	Aquaterra Fees	0.00	0.00
4250	Consultancy Fees	2320	Leisure Membership	0.00	8,800.00
4265	Bar Stock Taking			900.00	900.00
4280	Postages			100.00	100.00
4290	Telephones	2770	External Lines	2,500.00	2,500.00
4290	Telephones	2780	Paybox Phones	0.00	0.00
4385	Criminal Records Bureau Pay'ts			700.00	700.00
4435	Publicity & Promotion			1,500.00	1,500.00
4445	Licences	3240	Licensing miscellaneous	0.00	0.00
4445	Licences	3242	Leisure Dept Entertainment	10,600.00	10,600.00
4445	Licences	3247	Leis-Sky TV Licence	0.00	0.00
4518	Miscellaneous Insurances			4,700.00	4,700.00
4528	D.N.A Expenditure	2600	Aquaterra Fees	8,900.00	8,900.00
4528	D.N.A Expenditure	2605	D.N.A. Publicity & Promotion	4,700.00	4,700.00
4528	D.N.A Expenditure	2607	D.N.A Marketing	10,200.00	10,600.00
4530	Promotions	3330	Bar Brewery	400.00	400.00
4535	Crime Prevention			1,000.00	1,000.00
4550	Quality Assurance			400.00	400.00
7000	Information Technology			16,200.00	13,400.00
7010	Safety Officer			7,300.00	8,000.00
7020	Personnel Services			38,900.00	38,900.00
7040	Procurement Officer			600.00	600.00
7060	Postages			400.00	400.00
7110	Estates			100.00	100.00
7220	Leisure Admin			21,300.00	21,300.00
7230	Leisure Resources			4,200.00	4,200.00
7240	Leisure Facilities			55,400.00	56,800.00
7250	Building Services			2,100.00	2,100.00
7310	Accountancy			6,800.00	6,800.00
7320	Payroll			8,200.00	6,600.00
7330	Creditors			3,000.00	3,000.00
7380	Debtors			700.00	700.00
7400	Cash Control			2,300.00	2,300.00
7430	Resources			1,200.00	1,200.00
7440	Audit			100.00	100.00
8130	Deprcn - Veh, Plant & Equipment			35,700.00	35,700.00
8240	Other Cap. Fin. Interest			200.00	200.00
TOTAL EXPENDITURE				732,500.00	722,300.00

## Appendix 6 – Redhill Budget Breakdown (Income)

Account	Account(T)	Subanal	Subanal(T)	Profiled Budget	Original Budget
9120	Contribution from other Funds	8089	Leisure Repairs & Maintenance	0.00	0.00
9140	Joint Financing Contributions	8103	Notts. County Council	-32,300.00	-32,300.00
9200	Fees&Charges - Leisure Centres	8160	Fees & Charges Refunds	0.00	0.00
9200	Fees&Charges - Leisure Centres	8503	Leis-Aerobics Studio	-44,800.00	-48,600.00
9200	Fees&Charges - Leisure Centres	8506	Leis-All Weather Pitch	-37,900.00	-44,300.00
9200	Fees&Charges - Leisure Centres	8515	Leis-Bar Hire	-10,200.00	-8,000.00
9200	Fees&Charges - Leisure Centres	8545	Leis-Creche	-500.00	-500.00
9200	Fees&Charges - Leisure Centres	8563	Leis-Fitness Joining Fees	-9,900.00	-10,900.00
9200	Fees&Charges - Leisure Centres	8566	Leis-Fitness Membership	-336,200.00	-365,400.00
9200	Fees&Charges - Leisure Centres	8572	Leis-Fitness Room	-66,300.00	-66,000.00
9200	Fees&Charges - Leisure Centres	8584	Leis-Machine Income	-1,600.00	-1,100.00
9200	Fees&Charges - Leisure Centres	8587	Leis-Main Hall	-28,100.00	-31,600.00
9200	Fees&Charges - Leisure Centres	8592	Leis-Miscellaneous Leisure Centre Income	0.00	0.00
9200	Fees&Charges - Leisure Centres	8626	Leis-Spectators	0.00	0.00
9235	Sales Leisure	8942	Bar Drink Sales	-25,200.00	-25,200.00
9235	Sales Leisure	8944	Drinks Commission Income	-4,000.00	-4,000.00
9235	Sales Leisure	8946	Refreshments	-8,800.00	-8,800.00
9235	Sales Leisure	8948	Sales of Sporting Equipment	-100.00	-100.00
9235	Sales Leisure	8950	Snacks Commission Income	-500.00	-500.00
9250	Underbankings			0.00	0.00
9251	Overbankings			0.00	0.00
	TOTAL INCOME			-606,400.00	-647,300.00
	TOTAL FOR DIVISION			126100.00	75000.00

## Appendix 7 – Carlton Forum Budget Breakdown (Expenditure)

Account	Account(T)	Subanal	Subanal(T)	Profiled Budget	Original Budget
1000	Employee Salaries	5000	Salary Basic Pay	525,200.00	525,200.00
1000	Employee Salaries	5002	Salary Back Pay	0.00	0.00
1000	Employee Salaries	5006	Salary Casual Staff	90,400.00	90,400.00
1000	Employee Salaries	5008	Salary Non Contractual Overtime	0.00	0.00
1000	Employee Salaries	5020	Holiday Pay	0.00	0.00
1000	Employee Salaries	5026	Sick Pay	0.00	0.00
1000	Employee Salaries	5028	Statutory Maternity Pay	0.00	0.00
1000	Employee Salaries	5050	Standby Allowance	0.00	0.00
1000	Employee Salaries	5070	Vacancy Provision	-10,200.00	-10,200.00
1100	Agency Staff			0.00	0.00
1200	Instructors Fees	5110	Instructors Fees - General Courses	84,400.00	84,400.00
1300	Employer National Insurance	5300	Nat. Ins. Salaries	35,800.00	35,800.00
1300	Employer National Insurance	5302	Nat. Ins. Instructors	3,200.00	3,200.00
1310	Employer Superannuation	5310	Superann.(Salaries)	66,900.00	67,700.00
1510	Employee Advertising			0.00	0.00
1520	Interview Expenses			0.00	0.00
1530	Course Fees	5401	Training Expenses General	1,400.00	1,400.00
1590	Training Expenses	5400	Training Expenses(Payroll)	0.00	0.00
1630	Professional Fees{ret.incenty}			400.00	400.00
2020	General Repairs	1030	Other General Repairs	18,300.00	18,300.00
2020	General Repairs	1080	Miscellaneous	0.00	0.00
2020	General Repairs	1100	Sports Hall/Gym	0.00	0.00
2080	Maintenance	1660	Premises : Planned Maint	0.00	0.00
2080	Maintenance	1670	Fixed Plant	6,900.00	6,900.00
2100	External Grounds Maintenance	1690	Routine Ground Maintenance	30,500.00	30,500.00
2140	Electricity			23,800.00	23,800.00
2150	Gas			13,600.00	13,600.00
2190	NNDR			49,400.00	49,400.00
2220	Water Charges (Metered)			19,000.00	19,000.00
2260	Drainage Charges			3,400.00	3,400.00
2380	Window Cleaning			1,200.00	1,200.00
2400	Refuse Collection Charges			2,100.00	2,100.00
2480	Property Insurance			1,300.00	1,300.00
2500	Business Interruption			2,900.00	2,900.00
2520	Theft & Engineering			2,200.00	2,200.00
3190	Car Allowances - Employees	1740	Mileage	600.00	600.00
4090	Operational Equipment	1940	Equipment,Repairs & Maint.	23,600.00	23,600.00
4090	Operational Equipment	1950	Miscellaneous Equipment	0.00	0.00
4090	Operational Equipment	2280	Planned Maint	0.00	0.00
4110	Cleaning & Domestic Equipment	1950	Miscellaneous Equipment	5,800.00	5,800.00
4120	Equipment for Hire			1,000.00	1,000.00
4130	Equipment Rental	2374	Photocopier Rental	1,200.00	1,200.00
4170	Chemicals			7,500.00	7,500.00
4175	General Materials	2132	Miscellaneous Materials	11,100.00	11,100.00
4190	Protective Clothing	2243	General Protective Clothing	5,000.00	5,000.00
4215	Stationery	2430	General	2,000.00	2,000.00
4235	Financial Services	4130	Plastic Card Charges	500.00	500.00
4240	Security Services	2550	Cash Collection	1,900.00	1,900.00
4240	Security Services	2552	Security General	0.00	0.00
4245	Other Services	2600	Aquaterra Fees	0.00	0.00
4250	Consultancy Fees	2320	Leisure Membership	0.00	14,700.00
4290	Telephones	2770	External Lines	3,400.00	3,400.00
4290	Telephones	2600	Mobiles	0.00	0.00
4380	Litter/Dog Fouling Misc			0.00	0.00
4385	Criminal Records Bureau Pay'ts			1,500.00	1,500.00
4435	Publicity & Promotion			10,600.00	10,600.00
4445	Licences	3240	Licensing miscellaneous	0.00	0.00
4445	Licences	3242	Leisure Dept Entertainment	14,000.00	14,000.00
4445	Licences	3247	Leis-Sky TV Licence	0.00	0.00
4518	Miscellaneous Insurances			10,700.00	10,700.00
4528	D.N.A Expenditure	2600	Aquaterra Fees	14,800.00	14,800.00
4528	D.N.A Expenditure	2605	D.N.A. Publicity & Promotion	7,700.00	7,700.00
4528	D.N.A Expenditure	2607	D.N.A Marketing	17,000.00	17,600.00
4535	Crime Prevention			1,000.00	1,000.00
4550	Quality Assurance			400.00	400.00
7000	Information Technology			34,800.00	28,900.00
7010	Safety Officer			12,300.00	13,300.00
7020	Personnel Services			65,700.00	62,100.00
7040	Procurement Officer			1,000.00	1,000.00
7060	Postages			500.00	500.00
7110	Estates			100.00	100.00
7220	Leisure Admin			23,000.00	23,000.00
7230	Leisure Resources			5,000.00	5,000.00
7240	Leisure Facilities			64,600.00	66,200.00
7250	Building Services			1,700.00	1,700.00
7310	Accountancy			6,900.00	6,900.00
7320	Payroll			16,000.00	12,700.00
7330	Creditors			8,500.00	4,000.00
7380	Debtors			300.00	300.00
7400	Cash Control			2,300.00	2,300.00
7430	Resources			3,000.00	3,000.00
7440	Audit			5,800.00	5,800.00
8130	Deprcn - Veh, Plant & Equipment			42,000.00	42,000.00
8140	Amortisation Charges			12,000.00	12,000.00
8240	Other Cap. Fin. Interest			300.00	300.00
TOTAL EXPENDITURE				1,419,200.00	1,420,600.00

## Appendix 8 – Carlton Forum Budget Breakdown (Income)

Account	Account(T)	Subanal	Subanal(T)	Profiled Budget	Original Budget
9130	Contribution from Other L.A.s	8108	Miscellaneous Contributions	0.00	0.00
9140	Joint Financing Contributions	8103	Notts County Council	-98,200.00	-98,200.00
9200	Fees&Charges - Leisure Centres	8160	Fees & Charges Refunds	0.00	0.00
9200	Fees&Charges - Leisure Centres	8500	Leis-Activity Room	-9,900.00	-9,600.00
9200	Fees&Charges - Leisure Centres	8503	Leis-Aerobics Studio	-51,500.00	-60,700.00
9200	Fees&Charges - Leisure Centres	8506	Leis-All Weather Pitch	-59,300.00	-63,300.00
9200	Fees&Charges - Leisure Centres	8539	Leis-Course Fees	0.00	0.00
9200	Fees&Charges - Leisure Centres	8545	Leis-Creche	-900.00	-600.00
9200	Fees&Charges - Leisure Centres	8560	Leis-Fitness Aquaterra Direct	0.00	0.00
9200	Fees&Charges - Leisure Centres	8563	Leis-Fitness Joining Fees	-21,000.00	-20,400.00
9200	Fees&Charges - Leisure Centres	8566	Leis-Fitness Membership	-484,000.00	-605,900.00
9200	Fees&Charges - Leisure Centres	8572	Leis-Fitness Room	-64,600.00	-87,100.00
9200	Fees&Charges - Leisure Centres	8575	Leis-Football	0.00	-900.00
9200	Fees&Charges - Leisure Centres	8584	Leis-Machine Income	-1,200.00	-1,500.00
9200	Fees&Charges - Leisure Centres	8587	Leis-Main Hall	-50,600.00	-61,900.00
9200	Fees&Charges - Leisure Centres	8592	Leis-Miscellaneous Leisure Centre Income	0.00	0.00
9200	Fees&Charges - Leisure Centres	8626	Leis-Spectators	0.00	0.00
9200	Fees&Charges - Leisure Centres	8632	Leis-Squash	-31,000.00	-31,900.00
9200	Fees&Charges - Leisure Centres	8638	Leis-Swimming - Lessons	-105,000.00	-121,700.00
9200	Fees&Charges - Leisure Centres	8641	Leis-Swimming-General Public	-150,000.00	-172,000.00
9200	Fees&Charges - Leisure Centres	8647	Leis-Tennis Courts	-800.00	0.00
9200	Fees&Charges - Leisure Centres	8657	Leis - Treatment Room	-900.00	-3,000.00
9200	Fees&Charges - Leisure Centres	8662	Leis-Youth Gym	-8,800.00	-7,600.00
9200	Fees&Charges - Leisure Centres	8668	Leis-Youth Gym Membership	-1,700.00	-7,200.00
9200	Fees&Charges - Leisure Centres	8768	Leis-Holiday Activities	-1,300.00	-4,100.00
9227	Fees&Charges - General	8160	Fees & Charges Refunds	0.00	0.00
9235	Sales Leisure	8944	Drinks Commission Income	-22,900.00	-22,900.00
9235	Sales Leisure	8948	Sales of Sporting Equipment	-5,200.00	-5,200.00
9235	Sales Leisure	8950	Snacks Commission Income	-6,500.00	-6,500.00
9245	Rent - Leisure	8834	Rent Miscellaneous	-1,000.00	-1,000.00
9250	Underbankings			0.00	0.00
9251	Overbankings			0.00	0.00
TOTAL INCOME				-1,176,300.00	-1,393,200.00
TOTAL FOR DIVISION				242900.00	27400.00

## Appendix 9 – Richard Herrod Budget Breakdown (Expenditure)

Account	Account(T)	Subanal	Subanal(T)	Profiled Budget	Original Budget
1000	Employee Salaries	5000	Salary Basic Pay	165,400.00	156,300.00
1000	Employee Salaries	5000	Salary Basic Pay	27,900.00	23,400.00
1000	Employee Salaries	5002	Salary Back Pay	0.00	0.00
1000	Employee Salaries	5006	Salary Casual Staff	36,800.00	36,800.00
1000	Employee Salaries	5006	Salary Casual Staff	16,200.00	16,200.00
1000	Employee Salaries	5008	Salary Non Contractual Overtime	0.00	0.00
1000	Employee Salaries	5008	Salary Non Contractual Overtime	0.00	0.00
1000	Employee Salaries	5020	Holiday Pay	0.00	0.00
1000	Employee Salaries	5026	Sick Pay	0.00	0.00
1000	Employee Salaries	5026	Sick Pay	0.00	0.00
1000	Employee Salaries	5040	Honoraria	0.00	0.00
1000	Employee Salaries	5040	Honoraria	0.00	0.00
1000	Employee Salaries	5052	First Aid Allowance	0.00	0.00
1000	Employee Salaries	5070	Vacancy Provision	-3,100.00	-3,100.00
1000	Employee Salaries	5070	Vacancy Provision	-500.00	-500.00
1100	Agency Staff			0.00	0.00
1200	Instructors Fees	5110	Instructors Fees - General Courses	0.00	0.00
1200	Instructors Fees	5110	Instructors Fees - General Courses	3,700.00	3,700.00
1300	Employer National Insurance	5300	Nat. Ins. Salaries	11,400.00	10,700.00
1300	Employer National Insurance	5300	Nat. Ins. Salaries	3,000.00	2,700.00
1310	Employer Superannuation	5310	Superann (Salaries)	29,000.00	27,800.00
1310	Employer Superannuation	5310	Superann (Salaries)	5,000.00	4,200.00
1510	Employee Advertising			0.00	0.00
1530	Course Fees	5401	Training Expenses General	400.00	400.00
1630	Professional Fees(ret.incentv)			100.00	100.00
2020	General Repairs	1030	Other General Repairs	10,000.00	10,000.00
2020	General Repairs	1030	Other General Repairs	6,300.00	6,300.00
2020	General Repairs	1080	Miscellaneous	0.00	0.00
2082	Base Budget Maintenance			12,600.00	0.00
2100	External Grounds Maintenance	1690	Routine Ground Maintenance	3,900.00	3,900.00
2100	External Grounds Maintenance	1700	Paths	0.00	0.00
2101	Internal Grounds Maintenance	1690	Routine Ground Maintenance	0.00	0.00
2140	Electricity			38,200.00	38,200.00
2150	Gas			14,500.00	14,500.00
2190	NNDR			36,900.00	36,900.00
2220	Water Charges (Metered)			4,300.00	4,300.00
2260	Drainage Charges			5,300.00	5,300.00
2380	Window Cleaning			900.00	900.00
2400	Refuse Collection Charges			2,800.00	2,800.00
2480	Property Insurance			3,300.00	3,300.00
2500	Business Interruption			1,300.00	1,300.00
2520	Theft & Engineering			300.00	300.00
3190	Car Allowances - Employees	1740	Mileage	200.00	200.00
3190	Car Allowances - Employees	1760	Essential Lump Sum	0.00	0.00
3190	Car Allowances - Employees	1760	Essential Lump Sum	0.00	0.00
4080	Catering & Bar Equipment			0.00	0.00
4100	Recreational Equipment	2000	Gaming Machine Rental	2,200.00	2,200.00
4110	Cleaning & Domestic Equipment	1950	Miscellaneous Equipment	1,800.00	1,800.00
4120	Equipment for Hire			900.00	900.00
4175	General Materials	2132	Miscellaneous Materials	8,100.00	8,100.00
4175	General Materials	2132	Miscellaneous Materials	0.00	0.00
4190	Protective Clothing	2243	General Protective Clothing	1,300.00	1,300.00
4215	Stationery	2430	General	1,500.00	1,500.00
4235	Financial Services	4130	Plastic Card Charges	500.00	500.00
4240	Security Services	2550	Cash Collection	2,200.00	2,200.00
4240	Security Services	2552	Security General	0.00	0.00
4265	Bar Stock Taking			1,600.00	1,600.00
4265	Bar Stock Taking			600.00	600.00
4280	Postages			100.00	100.00
4290	Telephones	2770	External Lines	2,000.00	2,000.00
4290	Telephones	2780	Paybox Phones	0.00	0.00
4385	Criminal Records Bureau Pay'ts			500.00	500.00
4425	Advertising			2,300.00	2,300.00
4435	Publicity & Promotion			24,500.00	24,500.00
4435	Publicity & Promotion			0.00	0.00
4445	Licences	3242	Leisure Dept Entertainment	6,000.00	6,000.00
4445	Licences	3246	Leisure Dept HQ	0.00	0.00
4445	Licences	3247	Leis-Sky TV Licence	3,300.00	3,300.00
4445	Licences	3248	Leis-Civil Marriage Licence	1,100.00	1,100.00
4518	Miscellaneous Insurances			3,300.00	3,300.00
4518	Miscellaneous Insurances			600.00	600.00
4530	Promotions	3330	Bar Brewery	600.00	600.00
4535	Crime Prevention			1,000.00	1,000.00
4550	Quality Assurance			500.00	500.00
7000	Information Technology			8,500.00	8,500.00
7010	Safety Officer			2,800.00	2,800.00
7020	Personnel Services			13,000.00	13,000.00
7040	Procurement Officer			400.00	400.00
7060	Postages			100.00	100.00
7110	Estates			2,100.00	2,100.00
7220	Leisure Admin			25,100.00	25,100.00
7230	Leisure Resources			4,600.00	4,600.00
7240	Leisure Facilities			33,800.00	33,800.00
7250	Building Services			4,800.00	4,800.00
7310	Accountancy			3,400.00	3,400.00
7320	Payroll			3,300.00	3,300.00
7330	Creditors			6,500.00	3,300.00
7380	Debtors			2,000.00	2,000.00
7400	Cash Control			2,300.00	2,300.00
7430	Resources			1,500.00	1,500.00
7440	Audit			500.00	500.00
8120	Property Depreciation			56,800.00	56,800.00
8130	Deprcn - Veh, Plant & Equipment			10,100.00	10,100.00
8150	Gov't Grants & Cont'bs Deferred			-19,500.00	-19,500.00
8240	Other Cap. Fin. Interest			400.00	400.00
TOTAL EXPENDITURE				665,100.00	632,700.00





## Appendix 11 – Financial Gain Generated by the Introduction of DNA

<b>Leisure Income (DNA &amp; related income only)</b>				
<u>Base Year 2001/2002</u>				
<b>Base year uplifted by income inflation rates</b>				
	Base	Inflation Rate	Inflation	Income
	£	£	£	£
	852,600		0	
2001/2002		0%	-	852,600
2002/2003		3%	25,600	878,200
2003/2004		3.50%	30,700	908,900
2004/2005		5%	45,400	954,300
2005/2006		5%	47,700	1,002,000
2006/2007		5%	50,100	1,052,100
2007/2008		5%	52,600	1,104,700
<b>1</b>	Estimated income if DNA had not been introduced.			<b>6,752,800</b>
<b>2</b>	Actual Income for DNA & related activities over same period.			<b>8,923,700</b>
	Estimated increase in income during 7 year period			<b>2,170,900</b>
	<u>Less related expenditure</u>			
<b>3</b>	Aquaterra Fees			630,400
<b>4</b>	Capital Financing Charges			
	-Equipment Depreciation to 31/03/2008			199,600
	-Structural Works ammortisation to 31/03/2008			711,700
	<b>Estimated increase in net income</b>			<b>629,200</b>
<b>5, 6</b>	<b>Resource Development Bids( Revenue effects)</b>			
	<u>2004/05</u>			
	C.Forum - Youth Gym installation - salaries (Fitness Advisor)		14,300	
	Redhill - extension to Squash Courts area : Salaries		32,400	
	Insurance		1,400	48,100
	<u>2005/06</u>			
	Facilities - Fitness Manager - salaries		26,500	
	Mileage		800	
	PC		1,300	
	Ongoing effects of previous schemes		49,500	78,100
	<u>2006/07</u>			
	C.Forum - Increase Fitness Suite capacity(part year)			
	- salaries		14,900	
	- salaries bar staff		-8,500	
	- salaries Instructors		8,500	
	- energy costs		1,300	
	- marketing		3,000	
	- maintenance of equipment		1,100	
	- saving on Bar costs		-1,200	
	Ongoing effects of previous schemes		80,800	99,900
	<u>2007/08</u>			
	Redhill - maintenance/replacement spinning bikes		1,300	
	Redhill - maintenance/replacement gym equipment		4,000	
	Ongoing effects of previous schemes		122,400	127,700
	<b>Estimated Net Gain</b>			<b>275,400</b>
	Average gain per annum over 7 year period			<b>39,300</b>
	<b>Notes</b>			
<b>1</b>	Assumes no change in base income level other than inflation (inflation rate is overall rate, but in reality, may have varied for individual activities)			
<b>2</b>	Extracted from actual income heads affected by DNA			
<b>3</b>	Actual Payments to Aquaterra			
<b>4</b>	Based on Capital Spend of £1,147,400			
<b>5</b>	Figures extracted from Resource development bids & inflated where appropriate.			
	May need adjusting for delayed start dates.			
<b>6</b>	Capital spend would still have been necessary for replacement equipment, even if DNA had not been introduced			

## Appendix 12 – Breakdown of CECs by leisure centre

Note: The figures below are based on the original budget

Central Establishment Costs per Leisure Centre 2008/09							
	Calverton Leisure Centre	Carlton Forum LC	Redhill Leisure Centre	Arnold Leisure Centre	Richard Herrod LC	Totals	% Split
	£	£	£	£	£	£	%
Information Technology	8,700	28,900	13,400	12,300	8,500	<b>71,800</b>	8.8
Safety Officer	6,100	13,300	8,000	8,700	2,800	<b>38,900</b>	4.7
Personnel Services	28,800	62,100	38,900	42,000	13,000	<b>184,800</b>	22.5
Procurement Officer	200	1,000	600	400	400	<b>2,600</b>	0.3
Postages	200	500	400	500	100	<b>1,700</b>	0.2
Estates	100	100	100	3,000	2,100	<b>5,400</b>	0.7
Leisure Admin	20,600	23,000	21,300	22,500	25,100	<b>112,500</b>	13.7
Leisure Resources	4,200	5,000	4,200	4,200	4,600	<b>22,200</b>	2.7
Leisure Facilities	35,800	66,200	56,800	38,500	33,800	<b>231,100</b>	28.2
Building Services	27,100	1,700	2,100	4,000	4,800	<b>39,700</b>	4.8
Accountancy	7,300	6,900	6,800	4,400	3,400	<b>28,800</b>	3.5
Payroll	4,400	12,700	6,600	6,400	3,300	<b>33,400</b>	4.1
Creditors	1,500	4,000	3,000	3,700	3,300	<b>15,500</b>	1.9
Debtors	100	300	700	400	2,000	<b>3,500</b>	0.4
Cash Control	2,300	2,300	2,300	2,300	2,300	<b>11,500</b>	1.4
Resources	1,000	3,000	1,200	2,200	1,500	<b>8,900</b>	1.1
Audit	100	5,800	100	800	500	<b>7,300</b>	0.9
<b>Total</b>	<b>148,500</b>	<b>236,800</b>	<b>166,500</b>	<b>156,300</b>	<b>111,500</b>	<b>819,600</b>	<b>100.0</b>
Gross expenditure	670,800	1,420,600	722,300	883,000	632,700	<b>4,329,400</b>	
Central Services as % of expenditure Budget	22.1	16.7	23.1	17.7	17.6	<b>18.9</b>	



## Report to Leisure Portfolio Holder

**Subject:** Review of the DNA Health and Fitness Options.  
**Date:** 31<sup>st</sup> October 2008

**Author:** Johann Polak Fitness Promotions Officer

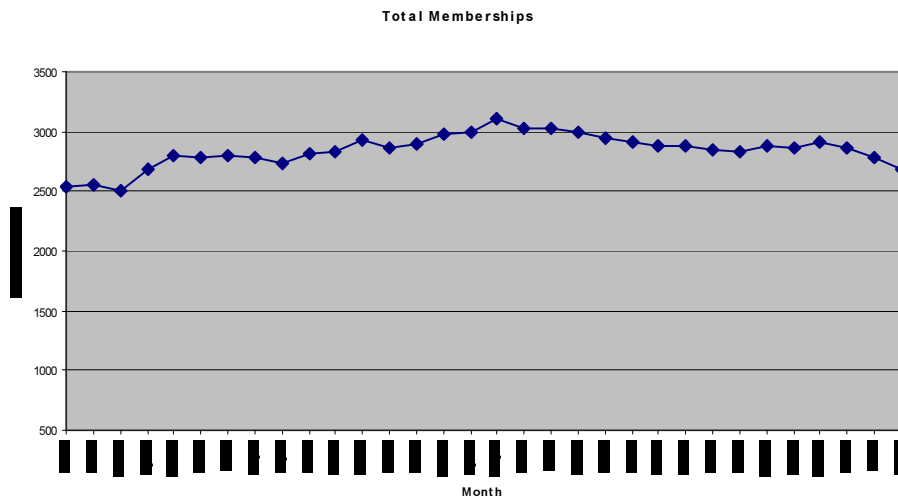
### 1. Purpose of the Report:

1. To assess what impact the changes to the DNA membership options and price changes have made (January 2008).
2. To identify new and future areas of work.

### 2. Background

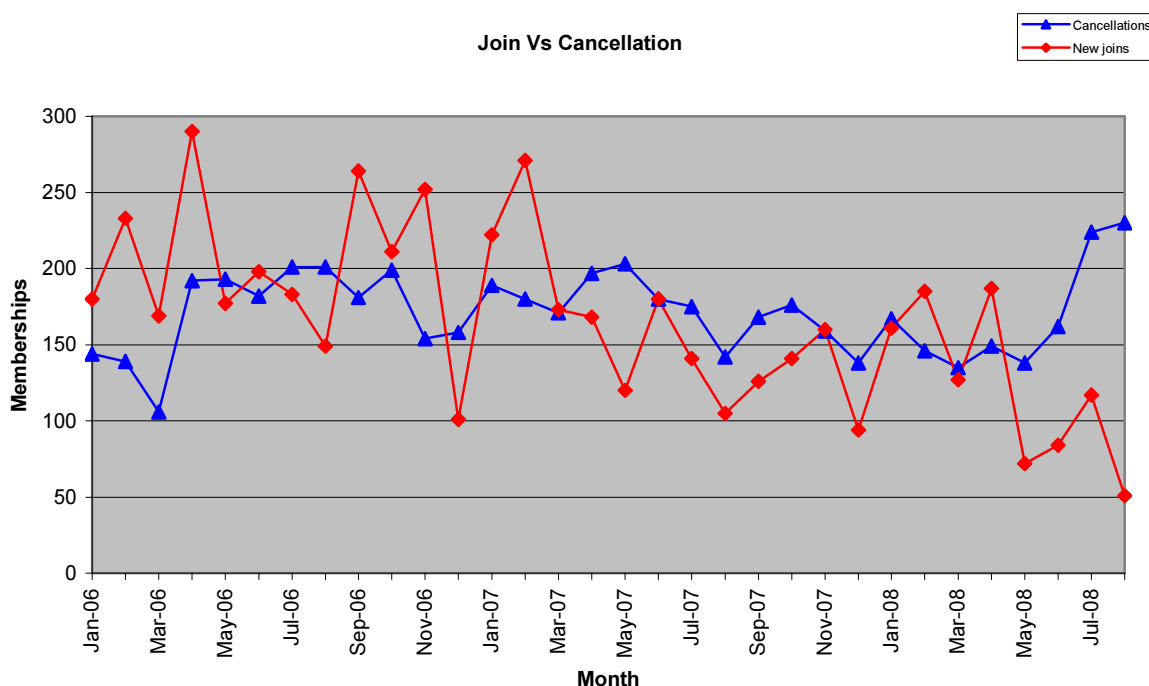
#### DNA Membership background:

The monthly membership scheme (DNA) has been in operation for 7 years. When the scheme started it was an instant success. Over the following years the average membership grew to 3000, but since July 2007 the period of growth has subsided and the scheme is now at the stage of maturity. As a result it is becoming increasingly difficult to attract new members.



Having attracted customers to the DNA scheme it has become increasingly difficult to retain them. In 2007 the average length of stay for a customer in the DNA scheme was 7 months.

From March 2007 the number of customer cancelling their membership was greater than the number of sales of the DNA membership. This trend has continued to the present day, despite all the work the leisure centres are doing to address the issue.



In 2008 two private health facilities are due to open in Gedling Borough. JJB opened a facility on the Netherfield retail park in early July 2008. The facility offers a state of the art fitness suite, swimming pool and wide range of exercise classes and also offers sauna and Jacuzzi facilities. Competitively priced at £36 and with a corporate rate of £32, JJB offers very direct competition for the DNA scheme and due to its location, direct competition for Carlton Forum Leisure Centre.

In December 2008 Cannons will launch their fitness facility on Mapperley Top. At this stage proposed prices are unknown. This facility will be located in-between Carlton Forum and Redhill leisure centres so could affect members loyalty to the DNA scheme.

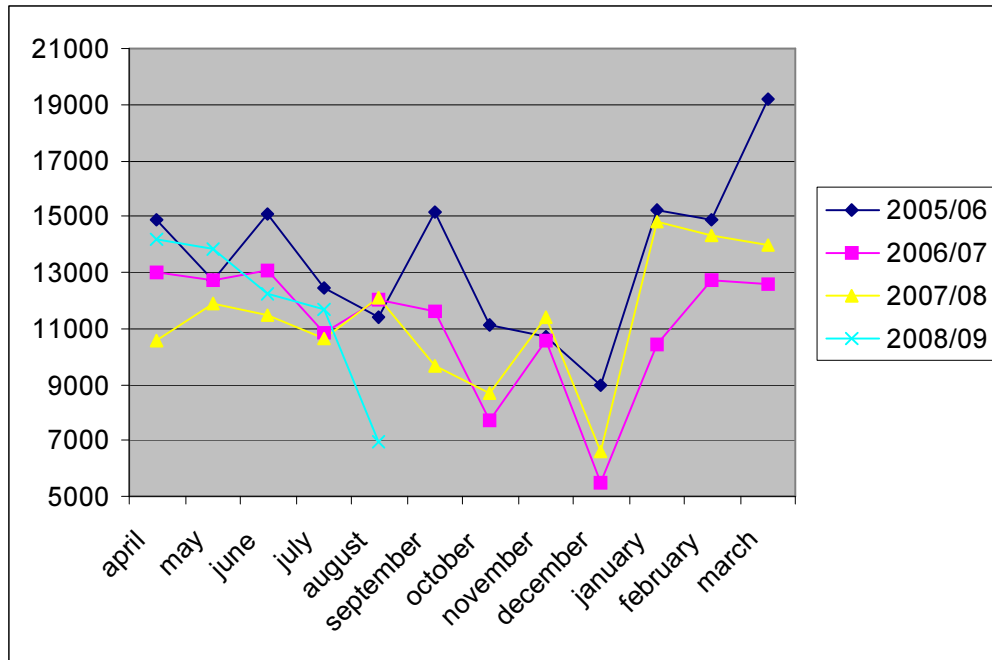
In terms of overall visits to the Gedling leisure centres, this has steadily increased over the last 3 years. From 904,997 visits in 2006/7 to 955,717 in 2007/8, and it is expected that in 2008/9 the number of visits will exceed the 1 million mark. Despite this increase in visits, there has been a dramatic reduction in the number of Gedling Leisure Cards (GLC) issued to Gedling residents. The GLC entitles the user to reduced prices on pay and play activities, and is also given to all DNA members as a way of tracking usage via the leisure management system. In September 2006, 34% of Gedling residents had a GLC card, (approx. 37,000 people) and in September 2008 this had dropped to 20% (22,000 people). This suggests that the number of people using the

facilities is dropping, but those that do use the facilities are coming more frequently than before.

### Casual (pay as you go) background

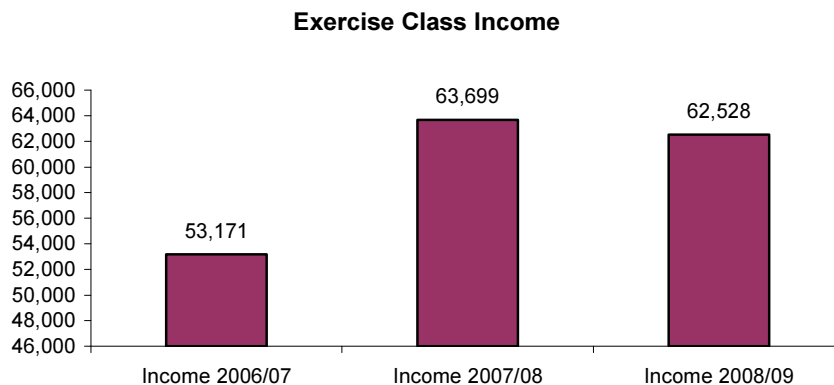
Gedling Leisure operates 'pay as you go' payment terms, which run alongside the DNA inclusive membership scheme.

### Fitness Suite Income



Note: the 'shape up for summer' promotion 2008 taken up by 'pay as you go' members has affected income for August as income from the promotion has been put into the membership budget.

- Exercise Class Income (year to date Jan – Sept)**



## **National View / Position**

Collection agencies that monitor data are stating that nationally, the public and private health and fitness sector are 20% down on actual figures last year due to the current financial climate. The Confederation of British Industry (CBI) is predicting a 35% downturn in leisure by the end of year.

Some Local Authority leisure facilities are currently bucking the trend as cash strapped fitness member's downgrade their membership from high charging private facilities to Local Authority Council memberships. However, this is not the case with the DNA membership scheme, as the main private competitor is priced similar to DNA.

### *2.1 - Summary of the DNA scheme prior to 2008*

#### **2.1.1. The membership package**

Previously the DNA membership included fitness suite, swimming, exercise classes and crèche. Charges for DNA memberships ranged from £21.20 - 37.50 per month. 24 different membership packages were available including off peak / peak memberships, concessionary memberships and joint membership discounts were also available.

In April 2007 a 9-month contract was introduced to run alongside the flexible monthly option. Customers taking out the 9-month membership were entitled to a reduction in the monthly price (on average a £3 reduction per month) but would be subjected to a penalty clause if they terminated the contract before the 9 months was up. Approximately 50% of new DNA members took out a 9-month contract, while 50% stayed with the monthly flexible option, which allowed them to cancel at any time.

In April 2007 following a thorough investigation, it was also decided to remove the crèche facility from the DNA membership. The expense of providing the crèche facilities was not covered by the DNA membership scheme, and the cost of providing this service actually cost the council in excess of £10 per child per visit. The charge to the public for this facility is £2.80 per child per hour.

In order to keep the cost of the overall membership down and to bring in line with other authorities, it was decided to ask users of the area to pay an additional payment per use. This decision did not lead to a significant increase in cancellation of memberships.

#### **2.1.2. Previous membership sales and enquiry process**

All membership enquiries were directed to one of two membership advisors. The membership advisors did little out reach work to attract new custom and depended primarily on customers walking through the door enquiring about the membership scheme. Due to there being very little competition in terms of similar leisure facilities located within the Gedling area the DNA membership base continued to grow. Other staff members had limited knowledge of the sales process and prices making them hesitant and unconfident when handling membership enquiries.

### **2.1.3. Previous induction arrangement**

A free months use of the gym was offered with every casual induction at a cost of £29.95 – this offer actually encouraged the new customer to postpone signing up to the monthly membership scheme. Before the month was up most members had discontinued using the facilities.

### **2.1.4. Marketing and promotion**

Although marketing and promotion of the membership scheme did take place, there was no planned tactical approach.

## **2.2 - Summary of changes to the DNA scheme 2008 onwards**

### **2.2.1. External Consultancy Acquired**

In order to achieve improvements to the membership scheme, In April 2007 a working group was formed which included the Head of Leisure Services, Finance and Admin Manager, Leisure Facilities Officer, Fitness Promotions Officer and Business Strategy Officer. The Head of Corporate Finance was also included in the decision making process. The group approached three specialist companies for advice and proposals in developing sales and retention. The decision was made to employ the services of a company called 'Club Success Ltd' (CSL). The contract payment basis was performance driven – CSL had to deliver the agreed growth in membership in order to receive payment. To increase membership sales by more than 170 on top of the predicted growth. This target was to be achieved between January and June 2008 for CSL to receive payment (i.e. there was no risk to GBC). In addition to increased sales, CSL were expected to:

- Develop new sales systems
- Train staff – Managers, fitness and reception staff and also leisure attendants
- Assist in the marketing / promotion plan
- Develop improved retention methods by raising staff awareness and customer service

During the period January to June 2008 CSL failed to meet their sales targets, as a result the contract was not paid.

### **2.2.2. Alteration of membership prices**

Before the sales system was installed and necessary training delivered, an audit on the current DNA membership options and prices on offer was carried out. Findings suggested that there were too many membership options available making the process of choosing a membership a complicated process for the customer. CSL recommended reducing the membership options available and altering the pricing strategy.

An industry wide method to price setting was applied, which is calculated by working out the cost of 7 visits per month at the pay and play price. If the total equals more than the monthly membership, this clearly demonstrates the benefits of taking out a membership, if the total is less than a monthly

membership the customer will have no financial incentive to commit to a membership.

As a consequence of this work, the working group proposed alterations to the pricing of the memberships:

- The standard price of membership was reduced from £34.20 to £32. This meant a £5 difference between the 9-month contract and the flexible monthly option at £37.50, which would hopefully encourage customers to commit to a contract.
- Pay and play fitness suite price increased from £4.30 to £4.75 – this enabled the 7 x PAP rule to work.
- Discounted packages such as ‘off peak’ and ‘joint memberships’ were removed from the portfolio.
- All existing contract arrangements were honoured in order to avoid waking ‘sleeping’ customers.

Since the pricing review there has been a favourable shift in new DNA customers signing up to the 9-month contract. Before CSL altered the pricing, there was a 50:50 split. This has now changed to 75% of new customers taking out the 9-month contract and 25% taking out the flexible monthly package. This helps increase the average length of stay a customer stays in the membership scheme.

### 2.2.3 Alteration of membership packages on offer

The number of membership packages available was reduced from 24 to 7, which simplified the sales process and made it easier for the customer to make a decision and commit.

The average net worth of a member has increased due to the re-structuring / re-pricing of memberships: -

	2007/08	2008/09 (year to date)
<b>Avg. price paid per month per member (net worth of member)</b>	£25.46	£25.81

#### Note:

The figure which is calculated by dividing the total monthly income for memberships by how many members we have (2008/09) has not increased substantially as 75% of new members take out the lower 9-month contract rate.

It was decided that annual, 9 – month contract and flexible contracts were still to be made available.



#### **2.2.4 Introduction of customer enquiries system**

A membership sales and enquiry system was devised and implemented. Receptionist and leisure attendants trained in this process are now fully conversant with:

- Reception enquiry handling
- Step by step guide to sales systems
- Sales tools and how to use them
- How to handle telephone enquiries
- Face to face selling techniques

With the increase in numbers of trained staff at the centres, sales and enquiries of memberships are now handled efficiently which in turn maximises the potential to generate sales. Feedback from fitness advisors at recent training days confirms that staff have an increased sense of ownership and responsibility for DNA sales at their centres, which in turn provides better customer service.

#### **2.2.5 Alterations to the induction process (fitness room only)**

Customers wanting to use the fitness suite are required to have an induction, to ensure they are trained on how to use the equipment safely. Prior to 2008 the price for an induction was £29.95 and included 4 instructor lead sessions in the fitness suite. Access to the fitness suite was free of charge for one month following the induction.

The review identified that the existing induction process was over priced and too labour intensive in terms of instructor hours. As a result from 2008 the induction process was changed to the following:

- The cost of the induction process was reduced to £15 – making it more accessible for people, and encourages new users to try out the fitness suite.
- The number of instructor lead sessions was reduced from 4 to 2 – this was because very few people ever used all 4 instructor lead sessions, and it was easy to cover all health and safety/equipment inductions in just 2 sessions. This also allows more time for fitness advisors to concentrate on customer care and making interactions and goal setting with members.

#### **2.2.6 Contract Breakers**

A mechanism was installed to chase members who broke their 9-month contract.

From Jan 2008 until 9<sup>th</sup> Oct 2008 forty-nine contract breakers were identified and £3265 has been reclaimed.

#### **2.2.7 Retention initiatives in the fitness suite**

Once customers sign up to a DNA membership package, it is important to find ways to keep them motivated and encouraged to keep using the fitness suites, otherwise the risk of the customer cancelling their DNA membership is increased.

A number of initiatives designed to improve the retention of members were introduced. 'Mini workouts' sessions have been introduced to the fitness suites at certain times of the day / evening where the fitness advisor will get together any members in the fitness suite who are willing to participate in a short workout

session. This interaction helps give customers structure to their time in the fitness suite and provides customers with perceived 'added value'.

### 2.2.8 Tactical Marketing Plan

A tactical marketing plan was devised taking into consideration the opening of the new private facilities in the area. Some of the promotions are listed below: -

Promotion	Purpose	Total sold	Converted to DNA
3 months free	Designed to encourage members to stay for 12 months before redeeming 3 free months (15 months for price of 12)	200	200
Refer a friend (3 friends for one year)	Designed to encourage existing members to seek out fresh leads – also rewards existing member	Poster / flyer campaign	170 Jan - Sept
Refer a friend (£20 cash back)	Designed to encourage existing members to seek out fresh leads – also rewards existing member	Poster campaign	32 May & June
Former member	'We miss you' mail out aimed at tempting previous members back to DNA	1000 letters sent out	28 Jan
3 guest passes issued to each new member	Generate new leads & encourage families & friends of member to aid retention	563 1-day guest passes used Jan - Sept	
Shape up for summer	Colourful eye catching display introduced in centres at start of summer holidays to encourage users to get in shape for their holidays – one month for £25	838 July & Aug	179
Mothers day	Free pass given to school children to pass onto parents as mothers day gift – generate new leads	500	12
Supermarket promotions	External promo to generate fresh leads	Over 300 leads generated	
12 days of fitness	Designed to encourage 'pay & play' and new users	Poster / flyer campaign	12 Dec 07

A monthly monitoring meeting has taken place since January 2008. Centre Managers, fitness staff, the Membership Advisor and also the Fitness Promotions Officer meet to discuss and review the promotions, as well as the sales and retention figures.

### 2.2.9 Review of the work carried out

It is possible to measure the success of the recent work carried out by looking at the conversion rate of the number of customers who took out an induction package and then went on to take out a DNA membership package:

Leisure Centre	2008			2007
	Total Inductions	Total DNA Sales	Conversion Rate	Conversion Rate
<b>All sites</b>	1021	1072	<b>105%</b>	<b>69%</b>

The overall conversion figure may seem unrealistically high, the reasons for this are as follows: -

- a. Many P&P customers have switched to the DNA inclusive membership therefore did not require an induction
- b. Ex members who cancel then decide to re-join did not require an induction
- c. The sales process and training is now more efficient

NB. For '2008' this is for the time period of the 1<sup>st</sup> Jan 2008 to 6<sup>th</sup> Oct 2008.

This information clearly demonstrates that the work carried out has been beneficial in converting more new customers from the induction phase onto the DNA scheme.

### 2.3 – Further Initiatives

#### 2.3.1 Corporate Fitness Working Group – CFWG

The general feeling amongst the fitness staff was that they did not feel communicated to or consulted with enough when decisions were made. They had little knowledge in terms of how the centres were doing and felt left out and undervalued.

As a result of this feedback the Corporate Fitness Working Group was set up. Regular meetings were held with the following principles of working: -

- Develop the fitness service corporately
- Improve customer service
- Improve communication

The working group has been involved in the following projects over the last 6 months: -

Project	Outcome
Investigate computerised retention system	Retention system installed Oct 08
Design gym challenges for year ahead	Challenges implemented
Test out fitness equipment for equipment replacement at CFLC	Tender process carried out – fitness supplier chosen
Investigate possibility of introducing Personal Trainers	Work on-going

Feedback from fitness advisors following training events is now positive due to them being involved more with projects and consulted with.

In addition to this working group, there are 2 training days carried out each year that ensures staff are kept informed of issues in the DNA scheme, pay and play scheme and the Positive Moves health programme. The days are also used to brain storm ideas and carry out practical training sessions.

The investment in the fitness advisors has benefited the leisure centres, by having motivated staff with a strong team spirit.

### **Positive Moves Programme**

Positive Moves is a partnership initiative funded by Gedling PCT and Gedling Borough Council Leisure Services. The scheme aims to reduce health inequalities within Gedling and improve patients' health and well-being by providing opportunities to participate in a variety of physical activities via a GP referral pathway.

Retention rates for Positive Moves clients has increased considerably since the training events have been in place.

#### **2.3.2 The Retention System (Fitronics)**

Fitronics is a retention tool that works with the leisure management system to identify members at risk of cancelling their membership. These are usually members who come infrequently, and feel demotivated by their experience in the fitness suites.

It encourages fitness advisors to interact with 'high risk' members in the fitness suite, to try and motivate them through interaction and revised programmes and help.

Installed in Gedling in September 2008 there is no current information on the progress of Fitronics at this stage.

Managers and fitness staff will have a performance measure set in their personal development reviews to ensure the system is used to it's potential.

#### **2.3.3 Leisure Marketing Improvements**

The Gedling Leisure logo and the health and fitness DNA logo have been redesigned to bring them up to date and to reflect the modern facilities at the leisure centres.

From November 2008 the Leisure team will introduce email marketing to the promotional / marketing plan. The campaigns are designed to raise awareness of the facilities and promote the DNA membership.

#### **2.3.4 Improvements to on-line capabilities**

From June 17<sup>th</sup> 2008 customers have been able to log their interest in the DNA membership scheme online. This has so far generated 11 DNA sales and 16 casual sales.

Customers can book activities on-line. As of October 1<sup>st</sup> 2008 customers are now able to cancel activities on-line. This has been introduced following feedback highlighting customer frustrations when trying to contact a centre by telephone during peak times.

## **2.4 Identification of Future Areas of Work**

Having reviewed customer comments and feedback, there are a number of additional points we believe should be focussed on over the next 12 months. These include:

- **Development of junior memberships** – this would help encourage more junior participation in line with the Changing Lifestyle Strategy and also attract more families to DNA rather than the private sector competition. Local private sector providers provide very little if any facilities for juniors.
- **Review of concessionary memberships** – we have received a few customer complaints about concessionary DNA members being restricted in the times they can use the Centres. This, along with the cheap concessionary price offered by the local private sector competition should be reviewed to maximise opportunities for concessionary users at the leisure centres. An equality impact assessment needs to be carried out for this review.
- **Review of the Crèche facilities** – having removed the crèche facility from the DNA Package there is a need to review this to ensure the decision was correct both financially and in terms of providing good service to our users. 78 people signed a petition against the removal of this facility from the inclusive membership. Income in this area has increased, however, even though 78 people signed a petition the removal of crèche has had little impact on memberships or bookable activities.
- **Improve efficiencies at reception** – customer comments have highlighted the need to review the speed of processing customers through reception. This review would investigate the possibility of introducing fast-track kiosks, which would enable DNA customers to self-serve at a kiosk and avoid the busy reception areas.
- **Reduce the number of exercise classes cancelled at short notice** – there is a need to increase customer satisfaction and improve service delivery by reducing the number of exercise classes cancelled due to last minute cancellations by the instructors.
- **Improve outreach work** – Investigate corporate memberships, E marketing.

### **3. Proposal**

- Identify areas of future work in the continued improvement to the DNA scheme

### **4. Financial Implications**

None

## **5. Recommendations**

- Seek approval from the Portfolio Holder that this report gives an accurate review of the work carried out around the health and fitness membership.
- Seek approval from the Portfolio Holder that the areas highlighted for future investigation should be carried out and reported back once complete.

## **Appendices**

Appendix 1 Total membership data

Appendix 2 Joins versus cancellations data

Appendix 3 Casual fitness suite income data

Appendix 4 Casual exercise class income data

## Appendix 1 Total membership data

### Memberships on 1st of the month

Month	Arnold	Carlton	Redhill	Calverton	Total
Jan-06	48	1597	841	58	2544
Feb-06	45	1598	846	59	2548
Mar-06	55	1530	863	64	2512
Apr-06	55	1628	930	72	2685
May-06	52	1678	983	90	2803
Jun-06	52	1642	997	96	2787
Jul-06	71	1597	1038	97	2803
Aug-06	70	1561	1059	95	2785
Sep-06	67	1543	1028	95	2733
Oct-06	58	1566	1056	136	2816
Nov-06	54	1615	1026	133	2828
Dec-06	47	1669	1072	138	2926
Jan-07	45	1623	1070	124	2862
Feb-07	62	1616	1095	122	2895
Mar-07	69	1681	1116	120	2986
Apr-07	69	1690	1118	111	2988
May-07	64	1785	1137	121	3107
Jun-07	62	1736	1106	120	3024
Jul-07	59	1740	1103	122	3024
Aug-07	60	1691	1119	120	2990
Sep-07	61	1657	1116	119	2953
Oct-07	61	1639	1092	119	2911
Nov-07	57	1618	1078	123	2876
Dec-07	58	1606	1080	133	2877
Jan-08	58	1576	1073	136	2843
Feb-08	58	1561	1085	133	2837
Mar-08	61	1569	1099	147	2876
Apr-08	61	1558	1092	157	2868
May-08	60	1583	1112	151	2906
Jun-08	62	1541	1120	145	2868
Jul-08	60	1499	1094	137	2790
Aug-08	56	1404	1087	136	2683
Sep-08	53	1288	1033	130	2504

## Appendix 2 Joins versus cancellations data

### New joins

Month	Arnold	Carlton	Redhill	Calverton	Total
Jan-06	5	117	56	2	180
Feb-06	11	120	92	10	233
Mar-06	0	96	66	7	169
Apr-06	8	139	112	31	290
May-06	2	92	72	11	177
Jun-06	23	80	93	2	198
Jul-06	4	91	80	8	183
Aug-06	1	99	44	5	149
Sep-06	1	113	103	47	264
Oct-06	1	149	53	8	211
Nov-06	0	130	106	16	252
Dec-06	0	56	41	4	101
Jan-07	19	115	81	7	222
Feb-07	7	166	92	6	271
Mar-07	1	108	62	2	173
Apr-07	3	108	49	8	168
May-07	1	77	36	6	120
Jun-07	0	101	70	9	180
Jul-07	3	66	65	7	141
Aug-07	4	54	43	4	105
Sep-07	0	74	43	9	126
Oct-07	0	85	47	9	141
Nov-07	2	80	60	18	160
Dec-07	1	45	43	5	94
Jan-08	2	87	63	9	161
Feb-08	6	98	62	19	185
Mar-08	1	73	39	14	127
Apr-08	2	106	73	6	187
May-08	2	35	34	1	72
Jun-08	1	49	30	4	84
Jul-08	0	61	52	4	117
Aug-08	0	33	16	2	51
Sep-08	0	48	48	6	102



## Cancellations

Month	Arnold	Carlton	Redhill	Calverton	Total
Jan-06	3	90	49	2	144
Feb-06	3	97	36	3	139
Mar-06	1	74	31	0	106
Apr-06	8	112	63	9	192
May-06	2	128	58	5	193
Jun-06	4	125	52	1	182
Jul-06	5	127	59	10	201
Aug-06	4	117	75	5	201
Sep-06	10	90	75	6	181
Oct-06	5	100	83	11	199
Nov-06	7	76	60	11	154
Dec-06	2	102	43	11	158
Jan-07	2	122	56	9	189
Feb-07	0	101	71	8	180
Mar-07	1	99	60	11	171
Apr-07	10	113	66	8	197
May-07	3	126	67	7	203
Jun-07	3	97	73	7	180
Jul-07	2	115	49	9	175
Aug-07	3	88	46	5	142
Sep-07	0	92	67	9	168
Oct-07	4	106	61	5	176
Nov-07	1	92	58	8	159
Dec-07	1	77	58	2	138
Jan-08	2	102	51	12	167
Feb-08	3	90	48	5	146
Mar-08	1	84	46	4	135
Apr-08	3	81	53	12	149
May-08	1	96	34	7	138
Jun-08	3	91	56	12	162
Jul-08	4	156	59	5	224
Aug-08	3	149	70	8	230
Sep-08	2	91	76	10	179

### Appendix 3 Casual fitness suite income data

#### Casual Fitness Room

2007/08	Income	Variance	CFLC	Target	RLC	Target	CLC	Target
April	10541.00	-1129.00	5039.00	5123.00	4769.00	5121.00	733.00	1426.00
May	11872.00	-1286.00	5982.00	6773.00	4995.00	4733.00	895.00	1652.00
June	11493.00	-2504.00	5142.00	7205.00	5475.00	5010.00	876.00	1782.00
July	10627.00	-754.00	5147.00	7148.00	4793.00	2986.00	687.00	1247.00
August	12113.00	-59.00	5532.00	6595.00	5873.00	4233.00	708.00	1344.00
September	9683.00	-2501.00	4080.00	6844.00	5066.00	4028.00	537.00	1312.00
October	8686.00	-2038.00	3790.00	5752.00	4336.00	3806.00	560.00	1166.00
November	11381.00	-1169.00	5079.00	6868.00	5653.00	4176.00	649.00	1506.00
December	6594.00	-2072.00	3082.00	5039.00	3104.00	2834.00	408.00	793.00
January	14784.00	2894.00	6100.00	5087.00	7291.00	5426.00	1393.00	1377.00
February	14327.00	407.00	6993.00	5315.00	6288.00	7325.00	1046.00	1280.00
March	14003.00	175.00	6602.00	5455.00	6264.00	7029.00	1137.00	1344.00
<b>Actual</b>	<b>136104.00</b>		<b>62568.00</b>	<b>73204.00</b>	<b>63907.00</b>	<b>56707.00</b>	<b>9629.00</b>	<b>16229.00</b>

2008/09	Income	Variance	CFLC	Target	RLC	Target	CLC	Target
April	14183.00	2089.00	6831.00	6010.00	6290.00	5215.00	1062.00	869.00
May	13859.00	979.00	6657.00	5865.00	6401.00	6005.00	801.00	1010.00
June	12241.67	417.67	6106.00	5547.00	5427.00	4495.00	708.67	1782.00
July	11698.00	-747.00	5840.00	5513.00	5365.00	5685.00	493.00	1247.00
August	6952.00	-4306.00	3180.00	5180.00	3438.00	4734.00	334.00	1344.00
<b>Actual</b>	<b>58933.67</b>		<b>28614.00</b>	<b>28115.00</b>	<b>26921.00</b>	<b>26134.00</b>	<b>3398.67</b>	<b>6252.00</b>

**Appendix 4** Casual exercise class income data

**Exercise Class Income**  
(Year to date Jan – Sept)

	<b>Income 2006/07</b>	<b>Income 2007/08</b>	<b>Income 2008/09</b>
<b>CFLC</b>	17,553	26,818	24,285
<b>RLC</b>	20,814	21,873	23,116
<b>CLC</b>	9,775	9,845	9,676
<b>ALC</b>	5,029	5,163	5,451