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| SUBJECT: | EVREHAM SPORTS CENTRE - BUDGET ESTIMATES |
| REPORT OF: | DIRECTOR OF SERVICES |

1 Purpose of Report

1.1 To seek Members approval of the following:

- Evreham Sport Centre revised budget estimates for 2009/2010
- Evreham Sports Centre forecast budget estimates for 2010/2011

2. Resource and wider policy implications

2.1 This report links in to the following strategies:

Community Plan

Falling crime and fear

Improving health and well-being

A sustainable and thriving community

Public services flexible and meeting the diverse needs of our community

Local Performance Plan

Thriving and sustainable South Bucks

Safer and stronger communities

Service Plan

Improving sports facilities

Improving customer service

Improving sporting opportunities for local residents

2.2 Several national indicators are either directly targeted or otherwise assisted through the activities of Farnham Park Golf Course, including:

NI8 - Adult participation in sport & exercise

NI121 - Mortality rate from circulatory diseases

3. Background

3.1 Evreham Sports Centre is jointly funded between South Bucks District Council and Buckinghamshire County Council. Prior to the implementation of the leisure management contract with Wycombe Leisure Limited (trading as Nexus Community) the Centre was run as an in-house service by South Bucks District Council.

3.2 The in-house service operated at a high degree of financial risk to both Councils who were responsible for all costs of the service. The decision was taken in November 2005 to tender a contract for the management of the centre to ascertain if a high quality of service could be achieved at lower cost and lower financial risk to the two Councils.

3.3 Evreham Sports Centre was awarded Quest Accreditation earlier this year. Quest is the industry quality standard for leisure centre management within the United

Kingdom. The award reflects the high commitment to customer care and standards of service offered at the sports centre.

4. Discussion

- 4.1 It is anticipated that the 2009/10 revised budget net running costs to operate the Evreham Sport Centre will be £111,255 which represents a saving of £4,965 on the 2009/10 original budget running cost of £116,220 which was already a £672 decrease on the 2008/09 actual running cost. The forecast budget for 2010/11 is £106,390 a £10,502 decrease on the 2008/09 Actual Budget and £9,830 decrease on the 2009/10 original budget. These decreases are a result of the annual contract sum payable to Wycombe Leisure Limited reducing year on year in accordance with the Leisure Management Contract.
- 4.2 The Leisure Management Contract permits Wycombe Leisure Limited to adjust their fees and charges in line with an increase in the retail price index (base month is January). Any increase would come into effect from the 1st April 2010.

5. Resources, Risks and Other Implications

- 5.1 The revised budget for 2009/10 and the forecast budget for 2010/11 are shown in the table below:

| | 2008-2009 Actual | 2009-2010 Original Budget | 2009-2010 Revised Budget | 2010-2011 Forecast Budget |
|------------------------------------|---------------------|---------------------------------|--------------------------------|---------------------------------|
| General Maintenance Repairs | 6748 | 6500 | 6500 | 6500 |
| Insurances | 2745 | 2750 | 2416 | 2440 |
| Business Rates - 20% Contribution | 2125 | 2230 | 2231 | 2260 |
| Repair & Replacement Fund | 22000 | 22000 | 22000 | 22000 |
| Contract Sum - Wycombe Leisure Ltd | 83274 | 82740 | 78108 | 73190 |
| Running Cost | 116892 | 116220 | 111255 | 106390 |
| Funded By: | | | | |
| South Bucks District Council | 58446 | 58110 | 55627 | 53195 |
| Bucks County Council | 58446 | 58110 | 55627 | 53195 |

- 5.2 The risk of the Centre failing to perform financially rests with the contractor. A performance bond can be called upon in the event that the Contractor is no longer able to perform the service.
- 5.3 South Bucks District Council and Buckinghamshire County Council share a contractual responsibility for major repairs and replacement to the fabric of the sports centre. To meet this obligation a rolling programme of repair and replacement is in place to address areas of need before serious issues arise. Currently £22,000 per annum is put aside to fund the programme (see above table). It may be necessary for this sum to be increased from 1st April 2011 (please see appendix One) and further increases may be necessary in 2013/14 and 2016/17 to cover replacement of the all weather surface and sports hall roof in later years.

6. Recommendation

- 6.1 That the 2010/11 forecast budget of £53,195 to each authority is recommended by Members to their respective Council (Policy Advisory Group) meetings for approval.

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| Background Papers: | Appendix One | |