



EXECUTIVE

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN THE PRINCIPAL COMMITTEE ROOM, THE DEANE HOUSE, BELVEDERE ROAD, TAUNTON ON WEDNESDAY 12TH MAY 2004 AT 18:15.

AGENDA

1. Apologies
2. Minutes
3. Call Forward Items
4. Public Question Time
5. Contract Final Accounts
Report of Chief Architect (enclosed)
6. Performance Monitoring of Contracts Supervised by Deane Building Design Group
Report of Chief Architect (enclosed)
7. Leisure Services Strategic Review - Strand 1
Joint Report of Chief Executive and Head of Commercial Services (enclosed)

G P DYKE
Member Services Manager

The Deane House
Belvedere Road
TAUNTON
Somerset

TA1 1HE

05 May 2004

Executive Members:-

Councillor Bishop (Planning and Transportation)
Councillor Mrs Bradley (Leisure, Arts and Culture)
Councillor Mrs Bryant (Communications)
Councillor Cavill (Economic Development, Property and Tourism)
Councillor Edwards (Environmental Policy and Services)
Councillor Garner (Housing Services)
Councillor Hall (Corporate Resources)
Councillor Mrs Lewin-Harris - Deputy Leader - (Community Leadership)
Councillor Williams - Leader of the Council

Executive - 7 April 2004

Present: Councillor Williams (Chairman)
Councillors Bishop, Mrs Bradley, Mrs Bryant, Cavill, Hall and Mrs Lewin-Harris

Officers: Mr J J Thornberry (Director of Corporate Resources), Mr P Weaver (Director of Community Services - Acting), Mr C Brazier (Head of Housing), Ms S Adam (Head of Finance), Ms K Dyson (Leisure Development Manager), Mr M Western (Housing Manager) and Mr G P Dyke (Member Services Manager)

Also Present: Councillors Gill, Henley, Lisgo and Stuart-Thorn.

(The meeting commenced at 6.15 pm.)

13. Apologies

Councillors Edwards and Garner.

14. Minutes

The minutes of the meetings of the Executive held on 10 and 23 March 2004 were taken as read and were signed.

15. Public Question Time

Councillor Henley, as a member of the public, asked for clarification of the proposed siting of the Skateboard Park at Wellington.

Councillor Williams replied that as soon as the plans of the proposed siting of the facilities were received from the Town Council, they would be fully examined. Although the decision as to the final location of the equipment would be made by the appropriate Executive Councillor after considering all the issues, he hoped that the views of the Town Council and the local community would be taken into consideration.

16. Development of a Green Spaces Strategy for the Borough

The green spaces in the Borough were a valuable asset for the Council in addressing its priorities of environment, economy and health. A strategic approach to their provision and management was vital if this role was to be maximised.

Submitted report, previously circulated, which gave details of the methodology used for the development of a Green Spaces Strategy for the Borough, the key findings and the draft recommendations that had arisen. The Council had commissioned consultants and they submitted a presentation on the draft Strategy.

This was a matter that had previously been considered by the Health and Leisure Panel in some detail and they had recommended that the Strategy be approved in principle. There had been discussion regarding the allocation of priorities to the recommendations and, as a result, the officers would develop a draft action plan based on the recommendations with a time schedule which would be further discussed by the panel. The final action plan would be submitted to the appropriate Executive Councillor for approval.

It was intended that if all the recommendations in the Strategy were implemented there would be no additional costs to the Council. This would be achieved by refocusing existing resources, seeking external funding and combining activities with other resource activities within the Council. If it was subsequently found that additional resources were required then this would be presented as a development bid. It is important to note that the Strategy was not seen as an automatic permission to incur additional expenditure.

RESOLVED that the Strategy for Green Spaces be adopted and an action plan to deliver the recommendations be prepared.

17. Financial Strategy

Reported that the majority of local authorities were struggling to match their spending plans to resources available. This was a national issue and not unique to Taunton Deane Borough Council.

Based on current financial forecasts, this Council was facing a funding gap of around £700,000 per annum (before considering development items). This was unsustainable and it was felt that the Council must have a strategy for resolving the underlying budget gap.

Submitted report, previously circulated, which set out a financial strategy that would allow the Council to break out of the annual cycle of budget saving rounds to produce a clear and sustainable financial plan over the medium term. It was intended that this would be achieved through a series of service reviews where there would be a fundamental appraisal of the work of each service. It was anticipated that difficult choices would need to be made and existing methods and practices fully challenged. All Members would be involved in the process.

The Financial Strategy would be a key link between the Corporate Strategy which set the aims and ambitions of the Council and the medium term financial plan which set out the costs of what the Council was currently providing. It would also link in other corporate plans, such as the Capital Strategy and the Asset Management Plan and, longer term, develop to include HRA Services as well. Details of the proposed Financial Strategy were submitted.

RESOLVED that (a) the Financial Strategy as submitted be agreed; (b) Council be recommended that responsibility for approving Supplementary Estimates during this review period be delegated to the Executive.

18. Wellsprings Partial Exemption Update

Reported that at the Special Council meeting, held on 22 December 2003, it was decided to defer the formation of a Leisure Trust. A consequence of this was that the Council would become liable for the repayment to H M Customs and Excise of £330,000 of irrecoverable VAT. Council had also approved a supplementary estimate for this payment.

It was noted that since that time, discussions with H M Customs and Excise had resulted in the Council not now being required to pay the expected VAT that related to 2002/03. This amounted to £133,500.

RESOLVED that it be noted that H M Customs and Excise no longer required repayment of £133,500 of VAT and these monies be returned to unallocated capital resources.

19. Energy Efficiency Review

Submitted details of the Energy Efficiency Review that had been considered by the Housing Review Panel at its meeting on 25 February 2004.

The report was for information on progress of the Home Energy Conservation Act targets. The Housing Review Panel has recommended that the report be accepted.

RESOLVED that the report be noted.

20. Review of Taunton Deane's Homeless Strategy "Planning Out Homelessness"

Submitted report on the update of the Homeless Strategy that had been considered by the Housing Review Panel at its meeting on 25 February 2004. The report was for information on the progress of the update of the Homeless Strategy. The Housing Review Panel had considered the report in detail and has recommended that it be accepted.

RESOLVED that the report be noted.

(The meeting ended at 7.45 pm.)

TAUNTON DEANE BOROUGH COUNCIL

REPORT TO THE EXECUTIVE – 12TH MAY 2004

REPORT OF THE CHIEF ARCHITECT

This matter is the responsibility of Executive Councillor Hall.

FINAL ACCOUNTS

EXECUTIVE SUMMARY

As required under item 5.15 of Post Contract Controls as contained in the Constitution, the purpose of this report is to inform Members of the year's performance regarding Contract Final Accounts.

1. BACKGROUND INFORMATION

- 1.1 All relevant contract final accounts are now reported on an annual basis. The accounts are those on which there is relevant information available, have been audited up to the end of the preceding financial year, and have not previously been reported to Members.
- 1.2 When viewing the schedule of accounts Members are reminded of the following:-
 - 1.2.1 The completion of a contract final account sometimes takes many months from completion of defects. Therefore, it does not necessarily relate to the actual work carried out during the previous year.
 - 1.2.2 All contract final accounts are audited before the release of retention monies.
 - 1.2.3 There are various reasons why contracts exceed the "Contract Sum", for example, if additional repairs are necessary, or there is a greater demand for the work to be done than originally envisaged. Similarly, a contract may underspend if the opposite applies. In some cases when overspend relates to extra work a brief explanation is included. However, sometimes overspend is due to matters dealt with as direct payments and are "outside" the actual contract. For example, furniture removal to and from transit accommodation on modernisation contracts, Building Regulation fees, Public Utility connection and reconnection charges etc.
 - 1.2.4 The term "Miscellaneous Payments" may include expenditure on items such as Services costs, Building Regulation fees, advertising costs, Planning fees, consultants' costs and associated site work costs, where appropriate.

2. SUMMARY

The demand for improvements can change throughout the life of a housing project, and many overspends were due to the fact that opportunities were taken to include

additional properties in response to demands as the benefits of improvements became apparent.

3. SCHEDULE OF FINAL ACCOUNTS

1. Repair/Renewal of Roof Coverings to 26 Dwellings

File Ref. 7/8/032

Contractor	G K Roofing Ltd	
Contract Sum	£105,390.00	
Final Account		£78,232.02

2. PVC U Window Replacement Contract – 36 WIN Phase 2

File Ref. 7/6/142

Contractor	South Western Windows	
Contract Sum	£295,593.00	
Final Account		£356,242.35

Note: Extra cost due to further properties being added to the contract to maximise expenditure at advantageous prices.

3. Repair/Renewal of Roof Coverings to 14 Dwellings

File Ref. 7/8/031

Contractor	G K Roofing	
Contract Sum	£54,927.94	
Final Account		£53,737.15
Other Costs	Miscellaneous Payments	5,208.00
	Building Design Group	609.39

	Total	£59,554.54

4. Modernisation at Halcon, Phase 9

File Ref. 7/3/066

Contractor	W Marsh & Sons Ltd (In liquidation)	
Contract Sum	£472,519.17	
Final Account	(Agreement)	458,000.00
Other Costs	Miscellaneous Payments	30,658.70
	QS Fees	5,210.38
	Building Design Group	55,853.39

	Total Cost	£549,721.94

Note: High cost of fees and other payments due to liquidation of main contractor. Final Account would have been higher if eventual agreement had not been reached after protracted negotiations with TFB Associates who were retained by the liquidators.

5. Installation of Central Heating in 49 Dwellings – Contract 28
File Ref. 7/7/068

Contractor	J S Lane	
Contract Sum	£86,729.00	
Final Account		£67,804.00
Other Costs	Miscellaneous Payments	25.00
	Building Design Group	7,989.31

		£75,818.31

6. Renewal of Electrical Installations to 73 Dwellings
File Ref. 7/5/038

Contractor	Barrington Services	
Contract Sum	£55,675.00	
Final Account		£75,840.00
Other Costs	Miscellaneous Payments	2,408.26
	Building Design Group	7,721.67

	Total	£85,969.93

Note: Extra cost due to 21 additional properties requiring more extensive installations.

7. Modernisation at Halcon, Phase 10A
File Ref. 7/3/077

Contractor	Barratt & Canniford	
Contract Sum	£452,876.00	
Final Account		619,319.52
Other Costs	Miscellaneous Payments	28,698.02
	QS Fees	8,875.00
	Building Design Group	43,422.56

	Total	£700,315.10

Note: Extra cost due to addition of 5 extra properties.

8. Installation of Central Heating in 67 Dwellings – Contract 30
File Ref. 7/7/070

Contractor	Taunton Plumbing & Heating	
Contract Sum	£143,368.00	
Final Account		153,014.25
Other Costs	Miscellaneous Payments	13,840.14
	Building Design Group	9,529.53

	Total	£176,383.92

Note: Extra cost due to addition of 7 extra properties.

9. Alterations to 113/121 Outer Circle, Taunton

File Ref. 7/3/119

Contractor	D R Jones (Yeovil) Ltd	
Contract Sum	£151,936.50	
Final Account		£149,563.76
Other Costs	Miscellaneous Payments	9,634.56
	QS Fees	3,450.25
	Building Design Group	4,912.43

	Total	£167,561.00

10. Modernisation at Halcon, Phase 11

File Ref. 7/3/099

Contractor	CS Williams	
Contract Sum	£44,718.00	
Final Account		81,598.68
Other Costs	Miscellaneous Payments	49,514.28
	QS Fees	4,444.75
	Building Design Group	14,345.22

	Total	£149,902.93

Note: Extra cost due to addition of 6 extra properties.

11. Refurbishment of Dwellings at Lambrook – Phase 2

File Ref. 7/3/056

Contractor	W Marsh & Sons Ltd (In liquidation)	
Contract Sum	£525,877.00	
Final Account		594,351.40
Other Costs	Miscellaneous Payments	19,943.16
	Building Design Group	72,839.24

	Total Cost	£687,133.80

Note: Extra cost due to addition of 2 extra properties with disproportionately high external works including porches and stores.

12. Installation of Central Heating in 42 Dwellings – Contract 29

File Ref. 7/7/069

Contractor	J S Lane	
Contract Sum	£94,955.00	
Final Account		227,396.86
Other Costs	Miscellaneous Payments	540.28
	Building Design Group	13,866.81

		£241,803.95

Note: Extra cost due to addition of 62 extra properties

13. PVC U Window Replacement Contract 38 WIN Phase 1
File Ref. 7/6/166

Contractor	Wrekin Windows	
Contract Sum	£352,202.14	
Final Account		336,721.97
Other Costs	Building Design Group	22,108.46

	Total Cost	£358,830.43

14. Refurbishment of Priorswood Place Shopping Centre
File Ref. 7/3/117

Contractor	Barratt & Canniford	
Contract Sum	£381,444.00	
Final Account		389,528.23
	Miscellaneous Payments	12,727.74
	QS Fees	9,847.25
	Building Design Group	75,674.56

	Total	£487,777.78

Note: Extra cost due to installation of composite external doors and PVC U windows, additional cost of gas connections and enlarged supply pipes.

15. Provision of Meeting Hall at Robin Close, Bishops Hull
File Ref. 7/2/075

Contractor	Barratt & Canniford	
Contract Sum	£102,831.00	
Final Account		112,151.52
Other Costs	Miscellaneous Payments	11,143.68
	QS Fees	2,669.25
	Building Design Group	24,237.11

	Total	£150,201.56

Note: Extra cost due to re-routing of water main and drainage system to avoid underground obstruction.

16. PVC U Window Replacement Contract 37 WIN Phase 3
File Ref. 7/6/159

Contractor	Anglian Windows Ltd	
Contract Sum	£376,421.95	
Final Account		353,530.03
Other Costs	Miscellaneous Payments	409.32
	Building Design Group	18,118.65

	Total Cost	£372,058.00

17. Modernisation at Halcon – Phase 12
File Ref. 7/3/108

Contractor	D R Jones (Yeovil) Ltd	
Contract Sum	£101,469.00	
Final Account		110,924.10
Other Costs	Miscellaneous Payments	
	QS Fees	3,421.50
	Building Design Group	13,052.27

	Total	£164,711.52

Note: Extra cost due to addition of two extra properties.

18. Provision of Meeting Hall at Moorland Place, Taunton
File Ref. 7/2/078

Contractor	C J Partridge	
Contract Sum	£95,965.00	
Final Account		91,715.53
Other Costs	Miscellaneous Payments	8,738.38
	Building Design Group	6,012.65

	Total	£106,466.56

19. Installation of Glazed Infill Panels, Phase 2
File Ref. 7/6/087/1

Contractor	Deane DLO	
Contract Sum	£26,720.40	
Final Account		£28,088.41

Note: Extra cost due to actual works surveys identifying more work necessary than apparent from original Schedule of Rates.

20. Repair/Renewal of Roof Coverings to 43 Dwellings
File Ref. 7/8/021

Contractor	Hewitt & Setherton	
Contract Sum	£95,135.21	
Final Account		£154,338.69
	Building Design Group	12,983.62

	Total	£167,322.31

Note: Extra cost due to addition of 27 extra properties.

21. Refurbishment of Kitchens and Bathrooms, Priorswood Place
File Ref. 7/3/117/3

Contractor	D R Jones (Yeovil) Ltd	
Contract Sum	£102,120.00	
Final Account		£98,774.96
Other Costs	Miscellaneous Payments	30.00

	Total	£98,804.96

The following Final Accounts are all annual pre-painting repairs and external redecoration contracts. Each year the accounts are balanced between each other so that the overall planned maintenance budget is not heavily exceeded even though individual accounts may be over, or under, spent.

22. Contract 33 PMA
File Ref. 7/6/109A

Contractor	Deane DLO	
Budget	£107,284.00	
Final Account		£81,723.04
Other Costs		4,091.46

	Total	£85,814.50

23. Contract 33 PMD
File Ref. 7/6/109D

Contractor	Deane DLO	
Contract Sum	£102,455.50	
Final Account		£93,137.50

24. Pre-painting Repairs and External Redecoration – 34 PMA
File Ref. 7/6/118A

Contractor	Deane DLO	
Contract Sum	£188,531.00	
Final Account		£272,037.96

25. Contract 34 PME
File Ref. 7/6/118E

Contractor	Deane DLO	
Budget	£84,079.00	
Final Account		84,427.90
	Liquidated Damages	735.00

		£83,692.90

26. Pre-painting Repairs and External Redecoration – 35 PMB
File Ref. 7/6/124B

Contractor	Deane DLO	
Contract Sum	£133,613.02	
Final Account		247,992.44
Other Costs	Miscellaneous Payments	103.70

	Total	£248,096.14

27. Contract 35 PMC
File Ref. 7/6/124C

Contractor	Deane DLO	
Budget	£93,250.00	
Final Account		£114,200.66
Other Costs		103.70
	Less refund (overpayment)	7,203.79

	Total	£107,100.57

28. Contract 36 PMC
File Ref. 7/6/135C

Contractor	Deane DLO	
Budget	£245,614.60	
Final Account		£193,754.23
Other Costs		1,014.30

	Total	£194,768.53

29.	<u>Contract 37 PMB</u> File Ref. 7/6/149B		
	Contractor	Deane DLO	
	Budget	£101,500.00	
	Final Account		£102,205.06
	Other Costs	Job 62714 – Hamilton Rd	15,508.88
		Miscellaneous Payments	102.57

		Total	£117,816.51
30.	<u>Contract 37 PMD</u> File Ref. 7/6/149D		
	Contractor	J & S Seddon	
	Budget	£128,000.00	
	Final Account		£129,849.48
	Other Costs	Miscellaneous Payments	103.09

		Total	£129,952.57
31.	<u>Contract 38 PMA</u> File Ref. 7/6/165A		
	Contractor	Deane DLO	
	Budget	£141,000.00	
	Final Account		£150,873.44
	Other Costs	Miscellaneous Payments	93.50

		Total	£150,966.94
32.	<u>Contract 38 PMB</u> File Ref. 7/6/165B		
	Contractor	Ian Williams	
	Budget	£195,000,000	
	Final Account		£154,498.27
	Other Costs	Miscellaneous Payments	828.66

		Total	£155,326.93
33.	<u>Contract 38 PMC</u> File Ref. 7/6/165C		
	Contractor	J P Lawrence	
	Budget	£169,500.00	
	Final Account		£156,800.24
	Other Costs	Miscellaneous Payments	1,013.18

		Total	£157,813.42

34. Contract 38 PMD
File Ref. 7/6/165D

Contractor	Deane DLO	
Budget	£244,500.00	
Final Account		£285,422.13
Other Costs	Miscellaneous Payments	93.50

	Total	£285,515.63

35. Contract 39 PMC
File Ref. 7/6/168C

Contractor	CLC Contractors Ltd	
Budget	£200,000.00	
Final Account		£232,059.64
Other Costs	Miscellaneous Payments	380.00

	Total	£232,439.64

Note: £34,000 charged to Replacement Window Contract 39 WIN for pvc u doors

36. Contract 39 PMD
File Ref. 7/6/168D

Contractor	CLC Contractors Ltd	
Budget	£285,000.00	
Final Account		£268,411.57

Note: £48,000 charged to Replacement Window Contract 39 WIN for pvc u doors.

4. **RECOMMENDATION**

4.1 Members are RECOMMENDED to note the report.

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE MANAGEMENT TEAM

REPORT TO THE EXECUTIVE 12 MAY 2004

REPORT OF THE CHIEF ARCHITECT

This matter is the responsibility of Executive Councillor Hall.

**PERFORMANCE MONITORING OF CONTRACTS SUPERVISED
BY DEANE BUILDING DESIGN GROUP**

EXECUTIVE SUMMARY

Standing Order No 38 requires details to be published to CMT and the Executive as to the progress of all works contracts in excess of threshold 2 (£50,000) on a quarterly basis for those contracts supervised by Deane Building Design Group.

1) INTRODUCTION

- 1.1) In January 2004 Standing Orders were amended to take into account new methods of procurement and contract controls as recommended by Government and Council.
- 1.2) This is the first report on the current performance of all Deane Building Design Contracts (not Orders) in excess of £50,000 as required under Standing Orders. It is intended to show whether individual projects are on programme and their financial position at the time of reporting. Reports will be based on the relevant last Financial Statement(s) and most recent Valuation(s). Reasons for any disparity will also be given.
- 1.3) Only those projects “on site” will be reported. Any financial alterations that take place after Practical Completion will be reported in the Completion Statement as required under the “General Contract Conditions” item 5.15. This is reported to the Executive on a yearly basis.
- 1.4) Future reports will be submitted to Executive Meetings held on 25th August 2004, 17th November 2004, February 2005 and May 2005 . They will all follow the same format.

2) PERFORMANCE REPORTS

- 2.1) Contract :- Kitchen Refurbishment Phase 1 Ref 7/3/149 (Housing – Decent Homes)
Contractor:- C.W.Duke & Sons Ltd.
Contract Start :- 24/11/03

Contract Completion:- 02/05/04 . Now extended until August 2004
(approx) Contract Sum:- £284,522. Now likely to be increased by £145,000
due to the inclusion of additional 40 properties.. As reported in The Weekly
Bulletin 15/04/04 and approved by Cllr G Garner (Executive Councillor).
Finance is available within the existing Housing
Capital Budget.

- 2.2) Contract :- Kitchen Refurbishment Phase 2 Ref 7/3/150 (Housing – Decent Homes)
Contractor :- Midas Property Services.
Contract Start :- 5/1/04
Contract Completion :- 13/06/04. Now extended until August 2004 (approx)
Contract Sum:- £374,473. Now likely to be increased by £146,000 due to the
inclusion of an additional 35 properties. As reported in The Weekly Bulletin 15/4/04
and approved by Cllr G. Garner (Executive Councillor). Finance is available within
the existing Housing Capital Budget.
- 2.3) Contract :- Kitchen Refurbishment Phase 3 Ref 7/3/151 (Housing – Decent Homes)
Contractor:- Mowlem
Contract Start :- 01/03/04
Contract Completion :- 25/07/04
Contract Sum:- £299,000. On programme and financially on budget.
- 2.4) Contract:- Kitchen Refurbishment Phase 4 Ref 7/3/158 (Housing – Decent Homes)
Contractor CLC
Contract Start :- 04/02/08
Contract Completion:- 08/08/04
Contract Sum:- £322,037. On programme and financially on budget.
- 2.5) Contract :- Refurbishment of 24 dwellings at Wellington and Rockwell Green.
Contractor :- Peake (GB) Ltd
Contract Start :- 20/10/03
Contract Completion:- 16/05/04
Contract Sum £505,838. Contract likely to be overspent by £15, 500 approximately
due to the inclusion of additional properties. The contract is likely to overrun by
approximately 2 weeks. Finance is available within the existing Housing Capital
Budget.

3) **RECOMMENDATION**

- 3.1) Members of the Corporate Management Team and the Executive are recommended to
note the contents of the report.

Contact Officer
Stewart Rutledge, Deane Building Design Group Manager (01823 356509)
E.Mail: s.Rutledge@tauntondeane.gov.uk

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE

WEDNESDAY, 12TH MAY, 2004

JOINT REPORT OF THE CHIEF EXECUTIVE AND HEAD OF COMMERCIAL SERVICES

(This matter is the responsibility of Executive Councillor Mrs. D. Bradley)

LEISURE SERVICES STRATEGIC REVIEW - STRAND 1

1. PURPOSE/EXECUTIVE SUMMARY

1.1 The purpose of this report is:

- to present a financial analysis of the leisure service showing the net cost by facility and by service;
- to consider a range of savings options which aim to reduce the overall net cost of the leisure service; and
- to propose and agree levels of savings which over a three year period would return the cost of providing the leisure service (and the burden on the local taxpayer) to its historic level in 2002/03 of in the region of £462,000.

2. INTRODUCTION

2.1 At Full Council on 22nd December, 2003 the Council deferred the decision to transfer its leisure services and facilities to Tone Leisure (South West) Limited for six months. One of the factors leading to this decision related to the level of grant that the Trust would require to maintain the existing level of service, as well as launching and operating the new Wellsprings Leisure Centre. The cost of providing the leisure service appears to have risen significantly, increasing from £462,000 in 2002/03 to a projected cost of £821,000 in 2004/05. This is primarily as a result of introducing a new facility to the portfolio, combined with external market factors such as increased private sector competition. The increasing cost of leisure at a time when the Council has also been experiencing difficulties in setting a sustainable, medium term financial plan understandably led to concerns about the future affordability of the service. Furthermore, it would have been irresponsible and unfair of the Council to transfer the leisure service into a leisure trust without some certainty regarding future provision of funding and clarity relating to strategic direction and priorities. Equally, it would not have been sensible for the Trustees to accept a service with such a degree of uncertainty.

2.2 This first stage of the Leisure Services Strategic Review now forms an important part of the Council's Financial Strategy which was approved by the Executive and Council in April 2004. Leisure is not a statutory responsibility and the Council needs to determine the level of leisure provision it feels is appropriate and how much it is willing to pay for that service. What has become clear is that the Council cannot afford the current level of service in the longer term.

- 2.3 The savings options contained within this report have been critically appraised by Mark Sutcliffe, Strategic Leisure Limited. He believes that the officers have undertaken a thorough review of the service and he has not been able to identify any additional areas where improvements in financial performance can be made. To generate more significant savings would involve more drastic and unpalatable changes such as facility closures, redundancies and withdrawal of complete services.
- 2.4 The 'shadow' Board of Tone Leisure has been consulted about the savings options and two nominated representatives have been attending the Health and Leisure Review Panel meetings.
- 2.5 This report has now been approved by the Health and Leisure Review Panel meeting, which took place on 29th April, 2004. The proposed Category One and Two savings have been accepted providing that Sunday swimming pool opening hours at Wellington Sports Centre are re-considered (saving D2).

3. **BACKGROUND INFORMATION**

- 3.1 When considering the context of this report it is important to recognise that the leisure service has already been independently assessed as an economic, effective and efficient service. In June 2003, following Best Value Inspection, the Audit Commission assessed Taunton Deane Borough Council's Sports Service as providing a 'good' two-star service that has excellent prospects of improvement. They concluded that the service is provided at a relatively low operational cost, is well used and has high levels of customer satisfaction. They also acknowledged that performance in many areas is among the best 25 per cent of Councils. Additionally, Strategic Leisure Limited has undertaken benchmarking as part of the management options appraisal and has confirmed that the service is economic, effective and efficient compared to other similar providers. They believe that the Council currently obtains good value for money from its leisure services.
- 3.2 The efficiency of the current service is further evidenced through membership of The Association of Public Service Excellence (APSE) Performance Networks. This body incorporates in excess of 85 local authorities and approximately 600 sports and leisure facilities submit performance management data on an annual basis. Leisure facilities are placed in family groups and performance is measured and compared against a range of 30 performance indicators. The table below provides a summary of results of the five headline indicators for the year 2002/03.

Table 1 : Association of Public Service Excellence - Headline Indicators 2002/03					
Indicator Definition	Blackbrook Pavilion	Station Road Pool	St. James Street Baths	Vivary Golf Course	Wellington Sports Centre
Headline indicator for net cost per visit (inc. CEC*)	£0.25 (2/15)	£0.47 (4/18)	-£0.55 (1/23)	£0.06 (1/6)	£0.35 (2/25)
Headline indicator for net cost per visit (exc. CEC)	£0.05 (2/15)	£0.37 (4/18)	-£0.62 (1/25)	-£0.14 (1/7)	£0.15 (4/27)
Headline indicator for net cost per head of population (inc. CEC)	£0.50 (6/15)	£0.83 (6/18)	-£0.68 (1/24)	-£0.20 (1/7)	£0.70 (3/25)
Headline indicator for net cost per head of population (exc. CEC)	£0.10 (2/15)	£0.66 (6/18)	-£0.76 (1/26)	-£0.09 (1/6)	£0.35 (4/27)
Operational recovery ratio (inc. CEC)	92% (2/15)	79% (4/18)	131% (1/22)	104% (1/6)	89% (2/24)

* Central Establishment Charges

- 3.3 The results clearly demonstrate credible performance across the facilities and reflect the cost effectiveness of the service. The bracketed figures show how each facility has ranked within its family group.
- 3.4 The relevance of this background information is merely to stress that the objective of reducing the cost of the existing service is no easy task. Having operated within a Compulsory Competitive Tendering environment for many years means that in many respects the service has already been cut to the bone to remain competitive.

4. **STAGE 1 LEISURE SERVICES STRATEGIC REVIEW**

4.1 **Objective**

It was agreed at the Health and Leisure Review Panel meeting on 17th March, 2004 that a robust and auditable cost-benefit model of the leisure service should be built to provide:

- (i) analysis of the net cost of leisure by facility and by service; and
- (ii) costed options for significantly reducing the cost of leisure by 2006/07.

As work has progressed on this project it has become apparent that the key report for discussion and consideration by Members is the costed savings options, with the analysis of net cost by facility and service really only providing supplementary information. A summary of net cost by facility and service is shown in Appendices 1 and 2. This is inclusive of the Category One and Two savings outlined in Appendix 3 to illustrate the shape of the sustainable service.

4.2 Costed Savings Options

There are only two real ways to reduce the net cost of the service. The first is to increase income and the second is to reduce expenditure. Income can be increased by raising prices (except if price elasticity reduces usage), by levering in additional external funding, by generating more 'sales' from existing activities, by introducing new activities and/or changing the balance between profitable and non-profitable activities. Expenditure can be reduced by cutting the range and extent of services provided and by lowering fixed and variable costs.

A range of savings options has been identified as a result of brainstorming exercises held across the leisure organisation. These savings are shown in Appendix 3 and the spreadsheet is presented as follows:-

- The savings have been grouped into four categories: income growth; price increases; efficiency savings and front-line service cuts.
- Each saving has been financially assessed and a cost saving value been calculated for the three year period.
- Each option has been graded against their likely impact to (i) the operation of the business and (ii) the wider public/customer. Options considered to be of low impact have been graded as a 'Category One'. Where they would make a significant impact, but are still achievable, they have been graded as a 'Category Two'. Those options considered to have an adverse impact, either operationally or to the public, have been graded as a 'Category Three'.
- A brief explanation of each saving is given. A more detailed comment on the savings options is given in Appendix 4. Reference numbers shown in the spreadsheet correlate to the reference numbers shown in Appendix 4.
- The final column shows relevant linkages to the Council's Corporate and Community Strategies and Corporate Priorities.

The Health and Leisure Review Panel and Shadow Board of Trustees have considered each option individually and have agreed the acceptability rankings that have been allocated.

4.3 Projected Savings

Projected savings are summarized in Table 2 below. It is important to note that an assumption has been made that only those options graded as Category One or Two would be acceptable. Any saving with either an operational or public Category Three has not been included in the projected savings. The table gives two years of comparative history (2002/03 and budgeted/forecast out-turn for 2003/04) and three business plan years: 2004/05 to 2006/07.

The first part of the table is not new and is a summary of the original Business Plan. This shows the cost of leisure rising from a £462,000 subsidy in 2002/03 to £821,000 in 2004/05 before reducing to £662,000 by 2006/07. The rise in 2004/05 is due principally to the opening of Wellsprings into a now saturated market.

The second part of the table summarizes what the result of taking and achieving Category One and Two savings would be. In summary, the cost of providing the leisure service is projected to drop to £467,000 by 2006/07. This is close to the historical level of £462,000 in 2002/03. This is after accounting for predicted inflation.

Table 2 : Tone Leisure Summary Savings 2004/05 to 2006/07					
Summary Of Proposed Changes To TDL Business Plan	2002/03 History £'000	2003/04 Projected £'000	2004/05 Plan £'000	2005/06 Plan £'000	2006/07 Plan £'000
Tone Leisure Original Business Plan					
Underlying loss on Pools, Wellington, Blackbrook and Vivary	(462)	(531)	(596)	(586)	(623)
Wellsprings loss - from Strategic Leisure			(150)	(76)	(39)
Income steal from Wellsprings/ Esporta			(75)	(38)	0
1 Total Loss per Original Business Plan	(462)	(531)	(821)	(700)	(662)
Strategic Savings					
Category 1 - low operational impact/low public impact			78	86	87
Category 2 - significant operational impact/significant public impact			48	84	109
Category 3 - high operational impact/high public impact - consequences considered unpalatable			0	0	0
2 Proposed Revised Tone Leisure Business Plan Pre-launch	(462)	(531)	(696)	(530)	(467)

4.4 Summary

The detailed savings shown in Appendix 3 demonstrate that a broad range of options has been considered. This is in order to both maximize the chance of achieving the savings and to minimize the potential impact of savings in one area. Whilst it is believed that some of the savings (Category Three) are unpalatable, they have been included to demonstrate the rigor of the 'challenge' and to enable Members to make choices for themselves.

Table 3 below outlines the spread of potential savings by showing where the £354,000 saving (returning an £821,000 subsidy to £467,000 by 2006/07) is achieved in broad groups.

Table 3 : Category One and Two Savings Analysed by Savings Type	
	(Cost)/Saving £'000
Original Business Plan : 2004/05 Subsidy	(821)
Savings included in original Business Plan	159
Savings through growing the business	82
Savings through price increase	24
Efficiency savings	56
Savings through service cuts	33
Revised Business Plan : 2006/07 Projected Subsidy	(467)

5. IMPACT ON THE CORPORATE PRIORITIES

- 5.1 The Health and Leisure Review Panel report of 17th March outlined in some detail the way in which the leisure service contributes to the Council's Corporate Strategy 2004-2007, the Corporate Priorities and the Community Strategy for Taunton Deane 2003-2005.
- 5.2 Within the context of this report it is probably worth highlighting again that the Council has recently decided to focus particular effort on four key areas:
- Deliver the Vision for Taunton.
 - Tackle anti-social behaviour in our communities.
 - Work with the County Council and others to tackle local transport priorities.
 - Housing.
- 5.3 The savings presented in Appendix 3 show how each option links to the relevant strategy/priority.

6. RECOMMENDATIONS

- 6.1 It is RECOMMENDED that Members note the financial analysis of the leisure service showing the net cost by facility and service.
- 6.2 It is RECOMMENDED that Members agree the acceptability rankings (Category One, Two and Three) that have been allocated to each savings option.
- 6.3 It is RECOMMENDED that Members approve the Category One and Two savings options, reducing the net cost of the service over a 3 year period to £467,000.

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APPENDIX 1

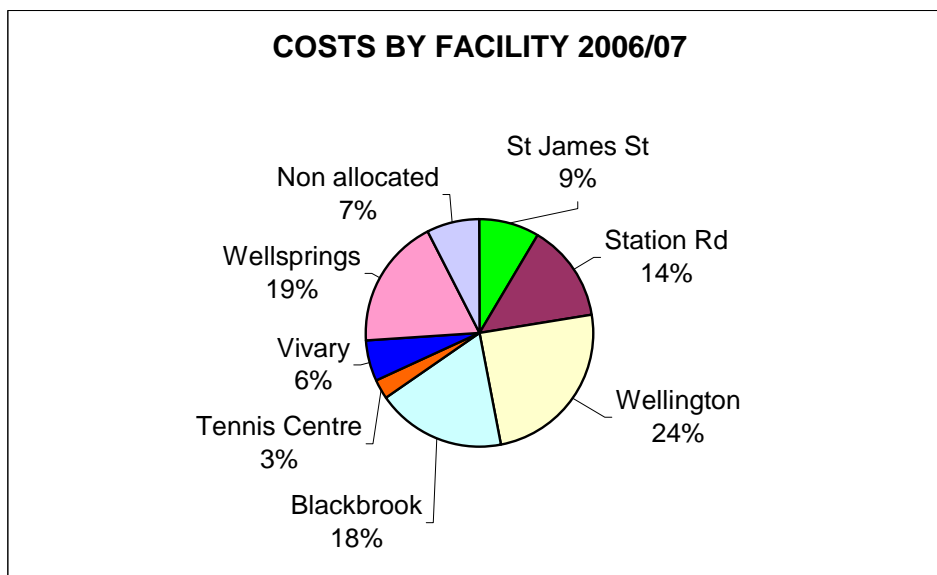
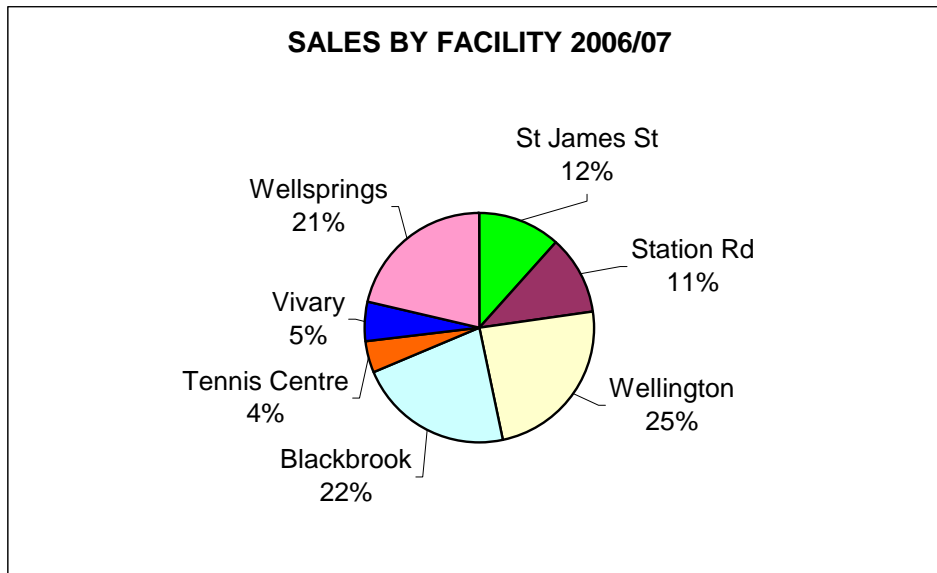
NET COST BY SERVICE AND FACILITY AFTER ALL CATEGORY ONE AND TWO SAVINGS

	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000
CONTRIBUTION/(SUBSIDY) BY SERVICE				
Swimming	(112)	(111)	(119)	(117)
Health and Fitness	333	376	506	587
Tennis	24	34	36	37
Golf	(31)	(31)	(33)	(34)
Other - ie., sports halls, squash, reception, development team	(745)	(964)	(919)	(939)
All Services	(531)	(696)	(529)	(466)
CONTRIBUTION/(SUBSIDY) BY FACILITY				
St. James Street Baths	40	47	49	49
Station Road	(124)	(132)	(135)	(140)
Wellington Sports Centre	(123)	(129)	(132)	(136)
Blackbrook Pavilion	(9)	(91)	(21)	1
Tennis Centre	24	33	33	34
Vivary Golf Course	(31)	(31)	(33)	(34)
Wellsprings Leisure Centre	(60)	(138)	(50)	(2)
Non-allocated	(248)	(255)	(240)	(238)
Totals	(531)	(696)	(529)	(466)

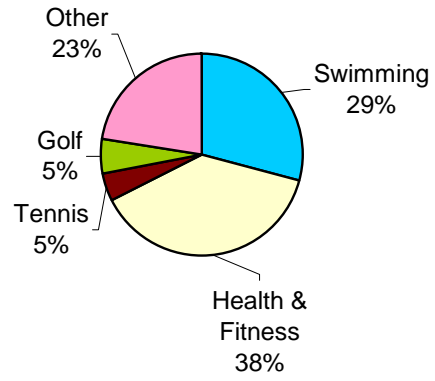
KEY ASSUMPTIONS

- 1 Blackbrook recovery plan can be achieved through either winning back market share or radical cost reduction.
- 2 Annual cost inflation meets TDBC forecasts (risk for utilities). Ticket prices rise by 3% pa.
- 3 The plan shows Taunton Pool provision prior to Strand 2 implementation.
- 4 The leisure market will continue in line with current expectation, with continued reliance on the contribution from Health and Fitness.

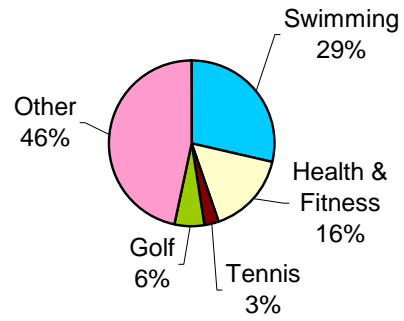
PIE CHARTS TO SHOW SALES/COSTS FOR SERVICE AND FACILITY AFTER ALL CATEGORY ONE AND TWO SAVINGS



SALES BY SERVICE 2006/07



COSTS BY SERVICE 2006/07



APPENDIX 3

Ref	Description of Saving	Value of Saving			Difficulty Category		Brief Comment and Explanation	Corporate Priority/ Community/ Corporate Strategy
		04/05 £	05/06 £	06/07 £	Acceptability			
					Easier (1) to Harder (3)	Operational		
A: INCOME GROWTH								
A1	Development team re-focus to programmes where external funding is available.	48,000	48,000	48,000	1	1	Achieved already for 04/05. Assumes 04/05 funding is achieved year-on-year.	Vision/Crime/ Health/Delivery
A2	Tennis centre introduce new pricing system for off-peak court hire.	2,500	5,000	5,500	1	1	Price promotion for off-peak courts, through card-based club. Assumes low loss of sales from peak periods.	Health/Delivery
A3	Health and Fitness introduce a casual use annual fee.	4,000	5,000	5,000	1	1	A new casual gym card system renewed annually.	Health
A4	Swimskool further enhanced by 10 extra lessons to meet demand.	4,000	6,000	9,000	1	2	Assumes 50% achieved in 1 yr and fully achieved by Yr 3 and swim programme (Casual) further compressed with no loss of income.	Health/Delivery
A5	Vending profits increased by single supply and maximizing product mix for financial return.	1,000	2,400	2,500	2	1	Costing based on 2% point uplift on current margin. Timing and difficulty based on management time taken to alter contracts and implement.	N/A
A6	Work with Ladymead School to agree optimum use of facilities.	5,000	11,250	12,000	2	2	15 term time week days events per annum. Anticipate resistance from school.	Vision
Sub-total Group A		64,500	77,650	82,000				
B: PRICE INCREASES								
B1	Specific pricing increases above inflation in 2004/05.	23,000	23,000	23,000	1	1	Achieved in 2004/05, but can't be repeated within 3 yr horizon.	N/A
B2	Low income Concessions and OAPs - remove discounted pricing on sunbed tanning.	0	1,000	1,000	1	1	Other Access to Leisure concessions are maintained.	Delivery
B3	OAP pricing - remove all concessionary discounts.	0	22,700	23,400	1	3	Removes age-related pricing on all activities (largest are swim £10k and membership £24k).	Health/Delivery
B4	Introduce charging for all under five year olds' swimming	0	2,000	2,000	1	3	Assumes 50p per head charge.	Health/Delivery
B5	Introduce a 20p retained charge for changing room lockers (currently refunded).	20,000	20,000	20,000	3	3	No longer normal practice; increased vandalism; potential lost sales (Access especially); hard operationally; 10% swim price increase; expect to be unpopular with public and staff.	Delivery
Sub-total Group B		43,000	68,700	69,400				
C: EFFICIENCY SAVINGS								
C1	Close bars permanently at Blackbrook and Wellington and consider alternative uses.	0	4,000	4,000	1	1	Saving assumes the space is used for alternative income at Wellington. First year net nil saving as includes cost of removing kitchen.	Delivery
C2	Staffing: Centre Managers to part-cover Duty Managers' holiday, sick and training time.	0	10,000	10,300	2	1	No savings in 04/05 because (i) transition required and (ii) staff morale would be low if implemented quickly.	N/A
C3	Staffing: gym staff cover own holiday, sick and training.	7,500	7,700	8,000	2	1	Would reduce floor walking and possible impact on inductions.	Health
C4	Reduce subsidy of Wellington Junior Squash Club.	1,500	2,000	2,000	1	2	The Wellington clubs currently have a subsidy not given to the Taunton club.	Vision/Health/ Delivery
C5	SLAs - redesign current process for collecting payroll information from leisure centres.	0	0	20,000	2	1	Based on streamlining current (complex) leisure payroll to enable TDBC to make savings.	N/A
C6	Keep senior management team based in TDBC building.	8,700	8,700	8,700	2	1	Current senior team remain in The Deane House.	N/A
C7	Re-orienting development team for further break-even funding.	3,000	3,100	3,200	2	1	Change of emphasis on team to break-even pricing where possible. Eliminates contributions to small clubs etc.	Vision/Health/ Delivery
Sub-total Group C		20,700	35,500	56,200				
D: FRONT-LINE SERVICE CUTS								
D1	Reduce multi-centre crèche provision.	0	12,000	12,000	2	2	Will take management time to implement without a significant loss of income as customers will use alternative site with crèche.	Health/Delivery
D2	Reduced opening hours at Station Road, Wellington and Wellsprings.	3,500	7,000	7,200	2	2	Reduce opening hours by total of 10.5 hours.	Delivery
D3	Health and Fitness classes to be reduced to eliminate the least popular.	7,400	7,600	7,900	2	2	Remove classes with below average attendance. Note this assumes no impact on overall sales as displaced customers move to alternative class.	Health/Delivery
D4	Stop health development programmes not based at Leisure Centres (1 redundancy).	0	30,000	31,000	3	3	Alternatively, achieve full funding from PCT.	Community Strategy/ Crime/Health/Delivery
D5	Stop loss making out-of-school kids provision.	6,000	6,000	6,000	1	2	Either eliminate loss-making activities or increase usage/price.	Delivery
Sub-total Group D		16,900	62,600	64,100				

Total with Category 1s for TLL and TDBC	77,500	86,000	86,500
Total with Category 1s and 2s for TLL and/or TDBC	47,600	83,750	108,800
Total with Category 3s for TLL and/or TDBC	20,000	74,700	76,400

Total available	145,100	244,450	271,700
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A INCOME GROWTH

A1. Development team re-focus to programmes where external funding is available.

Implications/Consequences

- The Development Team have been very successful in terms of tapping into and attracting external funding. This makes a valuable contribution to the many projects and initiatives that the team are able to deliver. Funding already obtained, or awaiting a decision for the year 2004/05 is outlined below.

Project	Amount	Funding Body
Better Play	£28,330	Better Play Lottery
Inclusion Projects	£4,000	Somerset County Council
Environmental Camps (awaiting bid decision)	£9,650	Better Play Lottery
Health Walks	£6,000	Walking the Way to Health Initiative/Countryside Agency
PROGRESS	£6,000	Somerset County Council/ Taunton PCT
Chair Based Falls	£3,200	Taunton PCT
Mental Health Programmes	£3,200	Somerset Partnership NHS and Social Care Trust
Disability Tennis	£2,376	Lawn Tennis Association/ Somerset County Council
Drug Rehabilitation Scheme	£1,350	Somerset Drug Treatment and Testing Order Team (DTTO)
Angioplasty (awaiting funding)	£2,112	Taunton PCT (hopefully)
Vibe Sport (Wellsprings Project)	£9,300	Crime and Disorder Partnership

A2. Tennis Centre introduce new pricing system for off-peak court hire.

Implications/Consequences

- To increase revenue through discounted court charges during off-peak periods such as daytime and summer months.
- Potential risk that price elasticity is not the issue and that the initiative will not increase court sales.

A3. Health and Fitness introduce a casual use annual fee.

Implications/Consequences

- In effect this is the equivalent of introducing a £10 membership fee for casual users, which has to be renewed annually. Currently, once the initial membership/induction fee has been charged there is no further card renewal. The individual just pays the casual fitness fee each time they visit.
- The membership system for casuals would have the advantage of triggering a programme/health update at the point of renewal.
- The fitness database would be more accurate, as only live members would be stored on the system.

A4. Swimskool further enhanced by 10 extra lessons to meet demand.

Implications/Consequences

- At Wellington Sports Centre this will reduce public casual swimming opening hours by 2 hours per week (8.30-10.30 am Sundays).
- This change will cause inconvenience and likely complaints from those customers who currently swim during this time slot. On average approximately 18-20 individuals swim during this period.
- Swimming lessons may be introduced at Station Road Pool. Currently all lessons take place at St. James Street Baths. This will involve roping off the shallow end of the pool, thus reducing the length of the pool for casual swimmers.

A5. Vending profits increased by single supply and maximising product mix for financial return.

Implications/Consequences

- All vending contracts to be centrally sourced and negotiated.
- Secondary spend pricing to be reviewed.
- Product list to be reviewed.

A6. Work with Ladymead Community School to agree optimum use of the facilities.

Implications/Consequences

- The current arrangement will not enable Tone Leisure to maximise income potential through events/exhibitions.
- Ladymead Community School will resist any attempt to change the terms of the School Core Hours.

- Re-negotiating the Management Agreement is likely to encourage the other Parties to try and amend the terms which may not be to the advantage of the Council.
- Any formal re-negotiation is likely to take time and will incur 'in-house' legal fees.

B PRICE INCREASES

B1. Specific pricing increases above inflation in 2004/05.

Implications/Consequences

- 2004/05 prices have been increased above current inflation levels and therefore will provide increased income streams, providing that projected sales targets are achieved.

B2. Low income concessions and OAPs - remove discounted pricing on sunbed/tanning machines.

Implications/Consequences

- No low income concessions will be given to those wishing to use sunbeds/tanning machines.

B3. OAP pricing - remove all concessionary discounts.

Implications/Consequences

- OAPs have always received concessionary discounts of approximately 50%.
- This age group tend to be price sensitive, so undoubtedly removal of the concession would be extremely unpopular.
- There would be numerous complaints and the issue would attract considerable media interest.
- It could have a significant negative impact on Tone Leisure FitBuzz memberships as Fitness First have recently introduced a discounted 50+ membership scheme.
- We have assumed that many of the age group may reduce activity level as a result of the price increases that would result.
- In theory, any OAP genuinely on low income would be able to apply for the Access to Leisure concessions and would, therefore, qualify for discounted charges.

B4. Introduce charging for all under five year olds' swimming.

Implications/Consequences

- The vast majority of local authorities do not charge under 5 year olds for swimming.

- Particularly difficult to justify when Taunton Deane swimming pools are not very attractive or appealing to this age group ie., no leisure features, deep shallow end at Station Road Pool, poor family changing facilities at Station Road.

B5. Introduce a 20p retained charge for changing room lockers (currently refunded).

Implications/Consequences

- This would be deemed by the public as a blatant price increase, particularly on swimming.
- Lockers would become a target for vandalism/theft if they were holding cash. Station Road Pool and Wellington Sports Centre would become the most likely targets, as the lockers are located in the changing rooms and would be vulnerable during quieter periods.
- This could have a negative impact on secondary spend. For example, the existing £1 coin refundable locker deposit is often spent in the vending machines as the customer leaves the changing rooms/facility.
- Many customers may be encouraged to take their baggage/possessions to their activity. This increases the possibility of theft, as well as promoting clutter and hazards within activity areas.
- Charging for lockers is no longer usual within leisure facilities.

C EFFICIENCY SAVINGS

C1. Close bars permanently at Blackbrook and Wellington and consider alternative uses.

Implications/Consequences

- Both bars have been operating a restricted bar service for some time now. The demand for a bar service in traditional leisure centres is not what it once was. With busier lifestyles and stricter drinking/driving laws the majority of customers do not require a bar facility.
- In the last few years the bars at Wellington and Blackbrook have not been making a profit. The management accounts currently show a loss at Wellington of £1,400 and £1,600 at Blackbrook for the year 2003/04.
- The Blackbrook bar area does not have huge scope (at present) for alternative uses. The bar area is already used regularly for children's birthday parties and this requirement would continue.

- The Wellington bar is a much larger area and does have scope for various alternatives. Examples include: therapist/treatment rooms, gaming machines, martial arts and small classes. Each of the options will need to be considered against factors such as demand, cost set up and potential income generation.

C2. Staffing - Centre Managers to part cover Duty Managers' holiday, sickness and training time.

Implications/Consequences

- Managers less available to attend corporate/external meetings or events.
- Managers will have less time to spend on corporate initiatives such as QUEST and marketing plans, due to increased time spent running shifts.
- Managers already struggle to cope with heavy workloads - therefore greater backlog.
- Likely reduced effectiveness of internal/external communication. For example, Managers are likely to have to cancel team briefings, meetings etc., if they are on shift.
- Potential de-motivation/morale of Managers. Most Managers work above and beyond their contractual hours. May be a loss of goodwill if forced to work a lot of shifts.

C3. Staffing - gym staff cover own holiday, sickness and training.

Implications/Consequences

- Fitness instructors will not always be covered when they are absent due to annual leave, sickness, maternity/paternity leave and training.
- This means that Fitness staff will not always be present in Tone Leisure Fitness Studios.
- This does present some risk when the gyms do attract high numbers of 'at risk' clients. Numbers of 'at risk' clients continue to increase due to the growth and expansion of the Proactive Referral Schemes.
- If the studios are not manned at all times, Members will need to decide whether CCTV cameras need to be installed to reduce the risk level. There would clearly be costs associated with such a decision.
- Waiting times for inductions and programme updates will be increased due to reduced staff availability.

C4. Reduce subsidy of Wellington Junior Squash Club.

Implications/Consequences

- The Junior Squash Club operates on Saturdays (4.30-6 pm) and Sundays (10 am-1 pm), but runs at a loss of approximately £3,000 per annum.
- Attendances average approximately 22 visits per week.
- Options need to be explored to reduce the cost of operating the Squash Club. This may involve reducing the hours of the club, reducing the coaching hours or liaising with Wellington Squash Club to work jointly on junior squash development.

C5. SLAs - redesign current process for collecting payroll information from leisure centres.

Implications/Consequences

- The Payroll Department find leisure employees more complex than other Council employees for the following reasons:-
 - staff often fulfil more than one job role;
 - there are many different rates of pay;
 - there are a high percentage of part-time staff;
 - some employees work irregular hours;
 - there is a higher staff turnover than in other parts of the Council;
 - there is no one single point of contact.
- This saving assumes that, given sufficient time, Tone Leisure will be able to significantly simplify and streamline the Payroll process.
- This option assumes that Taunton Deane Borough Council will need to consider downsizing the Payroll Section. This may involve redundancy costs.

C6. Keep Senior Management Team based in TDBC building.

Implications/Consequences

- The Council provides Tone Leisure Limited with rent-free office accommodation for the first three years.
- The existing arrangements could be continued with the Senior Management Team all sharing one office. However, two of the officers (MD, Head of Finance and Admin.) would need to be set up for some home working, as the shared office arrangement is not conducive to undertaking detailed or complex work.
- Longer-term office accommodation would need to be considered and could be

linked to any potential expansion of the Blackbrook site.

C7. Re-orienting development team for further break-even funding.

Implications/Consequences

- The saving assumes that Coaches' Newsletters will be discontinued.
- The saving assumes that Sports Directories will be displayed on the website. They will not be published or distributed.
- A range of small-scale contributions will be withdrawn. Examples include:
 - £100 - Contribution to Rugby Union Talent scheme for Somerset.
 - £100 - Contribution to Somerset Badminton Association for Development Officer post.
 - £200 - Pay for Trampolining Coach to do 12 weeks' coaching with SEN children at Bishop Fox's School.
 - £250 - Match funding for junior volleyball equipment for club and college to start youth activity.
 - £50 - Medals and prizes for SEN day at youth games - Selworthy School.
 - £125 - Club Incentive Scheme funding YMCA Gym Club (final payment scheme now finished).
 - £100 - Junior Duathlon contribution.
 - £60 - Taunton Gym Club contribution to programme for junior tournament.
 - £210 - Pitch markings for girls' football tournament.
 - £350 - Venue costs at Wellsprings for January-March for courses and training.

D FRONT-LINE SERVICE CUTS

D1. Reduce multi-centre crèche provision.

Implications/Consequences

- Crèche provision will be reduced by removing those hours with the least take up.
- Complimentary crèche provision between Wellsprings and Blackbrook will be considered carefully.
- This cut in service will cause inconvenience to those customers who have difficulties with childcare, particularly single parents.

D2. Reduced opening hours at Station Road Pool, Wellington Sports Centre and Wellsprings Leisure Centre.

Implications/Consequences

- This option reduces opening hours across the facilities by 10½ hours per week.
- At Station Road the pool will close half an hour earlier, Monday-Friday. Last admissions to the pool will be at 9 pm rather than 9.30 pm. Casual swimming during the last hour is extremely quiet and this change should have minimal impact.
- At Wellington Sports Centre the swimming pool (not dry-side facilities) will close at 8 pm on Sunday evenings. Again, the pool is very quiet at this time and impact on the public should be minimal.
- Wellington Sports Centre will reduce early morning opening (7-8.30 am) from five mornings a week down to three mornings a week. Early morning usage is not extensive and it is envisaged that most customers will arrange their training to fit in with the available early mornings.
- Wellsprings will reduce early morning opening (7-8.30 am) to Mondays, Wednesdays and Fridays. Customers will also have early morning availability five days a week at Blackbrook Pavilion.
- Wellsprings will close at 10 pm Monday-Friday. Demand for the 10-11 pm courts has been minimal and is unlikely to grow. The centre will extend Friday evening hours if a specific function has been booked.
- Savings generated from this option are not particularly significant due to limitations in the number of staffing hours that can genuinely be cut.

D3. Health and Fitness classes to be reduced to eliminate the least popular.

Implications/Consequences

- Tone Leisure currently operate 91 fitness classes across the portfolio of leisure facilities.
- Not all classes operate at maximum capacity, although most classes are busy, particularly at peak times of the year.
- This saving assumes that the 9/10 least well attended classes will be cut from the fitness programme.
- The reduction in class programme assumes that the majority of customers from the discontinued classes will divert into another class. This may not happen and there is a risk that whilst the cost saving will be realised, there could be a loss of income.
- This saving will require that some instructors will lose teaching hours. This may impact their loyalty/commitment to Tone Leisure. Competition for good quality instructors is now intense due to the influx of additional fitness facilities in the

area.

D4. Withdraw from health development programmes not based at Leisure Centres (1 redundancy).

Implications/Consequences

- The deletion of the Health Development Officer would result in withdrawal from a whole range of health related projects. These include:
 - * The Flexercise Scheme (29,000 attendances last year).
 - * Active Retirement Programmes.
 - * Health Walks.
 - * The PROGRESS Scheme (scheme for frail, older people who have fallen).
 - * The Chronic Obstructive Pulmonary Disorder Programme.
 - * Back Care Programme.
 - * Chair Based Falls Programme.
 - * Target Tennis.
 - * Workplace Health.
 - * Mental Health Activity Schemes.
 - * Gardening Referrals.
- The deletion of the post would significantly reduce the level of external funding that the Development Team currently lever in. In particular, opportunity to attract future funding from the PCT may be reduced.
- The deletion of the post would mean that various targets that have been published within the Community Strategy would not be delivered.

D5. Rationalise out-of-school kids provision.

Implications/Consequences

- This will involve discontinuing the after-school club at Blackbrook Pavilion. This operates Monday-Friday between 3.15 pm and 6 pm. The uptake of the after-school club averages 10 attendances per session and is not cost effective. It currently operates at a loss of around £3,000 per annum.
- Weekend childcare provision will be reduced at Wellington Sports Centre.