



Agenda Item No:	6
Committee:	Golf
Date:	8 December 2015
Title:	Golf Budget; Golf Course and The View at Seaford Head
By:	James Corrigan, Town Clerk
Purpose of Report:	To update the Committee on the projected Golf financial performance for this financial year and to agree a proposed budget for consideration by the Full Council.

Recommendations

You are recommended:

- 1. To note the projected financial performance of Golf Committee for this financial year.**
 - 2. To recommend a draft budget for the Golf Committee to the Full Council as presented.**
 - 3. To comment on the budgets going forward.**
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1. 2015/16 Projections

- 1.1 The projections for the existing financial year are a mixed bag. The Course has performed better than budget and is expected to achieve a net income of £79,126 which is approximately £9,000 better than budget. The introduction of the new clubhouse and the introduction of buggies have been significant factors in this performance. This is £77,000 better than last year's performance.
- 1.2 This is still a low profit on the face of it and work is planned over the coming months to attempt to analyse other Golf Courses performances to see how they have done. One obvious reason could be that the charges to use the course are too low across the board. It is however a tricky business to increase fees significantly in one go.
- 1.3 The support of the Golf Pro over the season has been significant in providing all the necessary support to run the course and going the extra mile to make sure we are as successful as possible.
- 1.4 The Course has been maintained in excellent order by the team there which is constantly commented on by visitors and regulars alike.
- 1.5 The projections for the clubhouse are less positive. The beginning of the financial year saw The View expenditure spiraling. Income was not keeping pace. Significant measures were therefore taken to address this trend. The new management team of Liza-Jane Jones (Interim Manager), John Young (consultant) Sarah Pearce (Events and Marketing Manager) (previously also Len Fisher) have done a superb job in ensuring the facility runs more efficiently. The staff at The View have all really worked hard to help it become a success and their efforts are appreciated. Consequently the projections are better than was first anticipated. This has largely been achieved through better event management and marketing, reducing staff on duty and maximizing income where possible.

- 1.6 However even with the improvements the projected loss for The View is £175,713 this financial year which is £47,632 worse than the budgeted loss of £128,401. It should be noted this includes the repayment of the loan for the new build which is £110,000 per annum.
- 1.7 The net overrun of the Golf Course and The View budget therefore is a loss of £96,586 which is £38,756 worse than the budgeted loss of £58,151.
- 1.8 This loss will have to be met by underspends in other budgets or Council reserves. More detail will be given on this matter at the Full Council meeting when considering the whole budget for the Council.

2. 2016/17 Budgets

- 2.1 The budgets for the coming financial year (as attached at Appendix A) are more robust than last years as there is the experience of running The View for a year.
- 2.2 The budget for the Course shows a net profit before central costs of £65,249, this is less than this years projected profit of £79,126 largely due to the re-introduction of expenditure to replace ageing machinery of £12,000 which was dropped last year to support the projected losses. A tactic on this spend could be that it is not spent until the RFO is satisfied that the two Golf Course and The View cost centres are performing to at least budget to avoid a further drain on General Reserves.
- 2.3 A factor that is difficult to gage is the impact of price increases on general use of the course there has been little in the way of increase for day users this is something that may be reviewed prior to the Full Council budget meeting.
- 2.4 Similarly as outlined in the Golf Professionals report the increase in Golf Fees for members is a tricky matter. The figures in the budget reflect a 10% rise for new members but a freeze for existing members which is a 5% rise on the amount paid this year, as their membership was frozen last year. If 5% rise in addition were to be added this year that would result in a potential additional profit of £5000, presuming no members leave due to the rise but there is also a compound income effect for future years also.
- 2.5 As Councillors will note the membership is almost at the maximum desired level of 400 (at 378) hence the recommendation to close membership at 400 in the Golf Professional's report.
- 2.6 The budget for The View is based on current performance though the months of January, February and March are difficult to project both for calculating next year's budget and this year end. The budget for next year shows a loss of £49,140 and a small profit of £880 in the following year.
- 2.7 Councillors will note that the budget for Sky TV has been removed.
- 2.8 A significant issue within the business plan has been the lack of a reserve to purchase the many additional pieces of equipment the venue needs to function effectively. The total required is in the region of £50,000. Work is currently being done to collate a priority plan. This will include items such as a carvery unit and shutters for the ground floor shop.
- 2.9 The net performance of the Golf Course and The View combined is therefore a projected profit before central costs of £16,109 in 2016 / 17 and a projected profit before central costs of £62,703 in 2018/19. Projections for a period of five years will be produced at the end of the financial year when more accurate projections can be made.

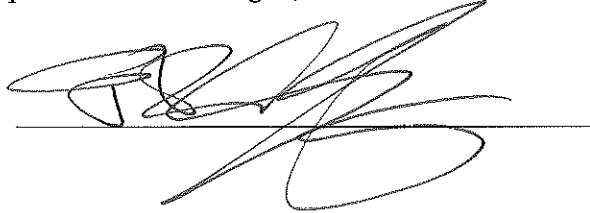
3. Financial Appraisal

The financial impact on the budget as stands for 2016/17 is a net contribution to the finances of £16,109.

4. Contact Officer

The Contact Officer for this report is James Corrigan, Town Clerk

Town Clerk

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Appendix A

Golf Course

Cost Centre 101

Account number	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Final Budget	2015-16 Actual to 25/11/15	2015-16 Projected Outturn	2015-16 Variance	2016-17 Final Budget	2017-18 Final Budget	2018-19 Final Budget
4000 Salaries & Wages	74846	75954	74846	75954	44697	74143	1811	77116	79541	0
4001 Employers NI	4278	4682	4278	4682	2498	4067	615	4378	5067	0
4002 Employers Superannuation	13286	13948	13286	13948	8140	13529	419	13951	14967	0
4009 Recruitment Costs	288	0	288	0	21	36	-36	0	0	0
4010 Staff Training	425	1500	425	1500	1825	1825	-325	1500	1500	0
4011 Staff Protective Clothing	888	1000	888	1000	595	1020	-20	1000	1000	0
4041 Golf Professional Retainer	40400	41006	40400	41006	23541	40356	650	41908	42830	0
4045 Golf Course Player Costs	2052	2350	2052	2350	289	289	2061	2500	2750	0
4046 Golf Club Membership Fees	19213	23540	19213	23540	19349	19500	4040	24585	25410	0
4051 Rates	0	0	0	0	13715	19562	-19562	19995	20400	0
4052 Water & Sewerage	4505	8000	4505	8000	1380	2366	5634	2500	2700	0
4055 Electricity	8296	1000	8296	1000	1270	2177	-1177	2300	2400	0
4056 Gas	1652	0	1652	0	0	0	0	0	0	0
4060 Refuse	339	300	339	300	224	384	-84	300	300	0
4100 Telecommunications	714	300	714	300	653	1119	-819	300	300	0
4105 Postage	299	300	299	300	116	199	101	300	300	0
4106 Stationery	137	200	137	200	183	314	-114	200	200	0
4110 Advertising & Publicity	4091	3000	4091	3000	1925	2500	500	3000	3000	0
4111 Office Equipment New	760	0	760	0	0	0	0	0	0	0
4113 Software Support	356	300	356	300	366	366	-66	300	300	0
4114 Licence Fee	75	75	75	75	0	0	75	80	85	0
4115 Insurance	8152	7950	8152	7950	5017	5017	2933	5200	5300	0
4155 Professional Fees	9	0	9	0	0	0	0	0	0	0
4156 Bank Charges	1130	2200	1130	2200	790	1580	620	1800	1900	0
4201 Cleaning & Hygiene	5706	0	5706	0	210	210	-210	0	0	0
4250 Public Seating	570	0	570	0	3514	3514	-3514	0	0	0
4251 Dog Bin Emptying	1102	1700	1102	1700	424	727	973	1750	1800	0
4261 Grounds Maintenance Non Contract	25603	25589	25603	25589	21748	25589	0	26100	26622	0
4270 Vehicle & Equipment Maintenance	12856	14500	12856	14500	8808	14500	0	14790	15000	0
4271 Vehicle & Equipment Lease	20996	20996	20996	20996	9082	20996	0	20996	20996	0
4272 Equipment Purchase	33710	0	33710	0	0	0	0	12000	33000	0
4275 Building Maintenance	0	2000	0	2000	1106	1250	750	2000	2000	0
4301 Public Works Loan Payment	0	0	0	0	0	0	0	0	0	0
4308 Rent of shop, locker and changing rooms	0	18000	0	18000	1809	18000	-3267	19000	20000	0
4309 Buggy lease	0	690	0	690	3957	3957	-3267	5277	5277	0
4310 Buggy fuel	0	300	0	300	0	288	12	624	624	0
4312 Season Ticket Refund	0	0	0	0	545	545	-545	0	0	0
Golf Course Expenditure	247,047	234,241	286,734	271,330	173,840	279,925	-8,545	305,750	335,559	0

Account number	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2015-16	2015-16	2015-16	2016-17	2017-18	2018-19
Golf Course												
Cost Centre 101												
1000			152195	183826	164525	165000	18826	172000	188000	0		
1001			48219	49979	54821	66822	-16843	65000	67000	0		
1002			35726	40429	41063	48341	-7912	48000	50000	0		
1003			32682	40063	36484	46601	-6538	46042	50892	0		
			0	10000	0	0	10000	11667	12500	0		
1004			0	5233	2985	3000	2233	3000	3100	0		
1005			157	100	174	180	-80	190	200	0		
1007			6250	5000	8000	9000	-4000	7500	7500	0		
1010			0	0	0	0	0	0	0	0		
1111			458	0	2500	2500	-2500	0	0	0		
1050			1225	0	250	1000	-1000	1100	1200	0		
1051			0	0	0	0	0	0	0	0		
1054			1413	0	1233	1233	-1233	0	0	0		
1055			30	0	3324	3324	-3324	0	0	0		
1057			3223	0	0	0	0	0	0	0		
1063			711	0	0	0	0	0	0	0		
1074			650	0	0	0	0	0	0	0		
1077			3700	0	0	0	0	0	0	0		
1100			2217	1000	0	2050	-1050	1500	2000	0		
1311			0	6000	8921	10000	-4000	15000	15000	0		
Golf Course Income	300177	275504	288856	341630	324280	359052	-17422	370999	397392	0		
Net Course Expenditure over Income	-53130	-41263	-2122	-70250	-150440	-79126	8876	-65249	-61823	0		

Golf Course
Cost Centre 101

Account number	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2015-16	2016-17	2017-18	2018-19
<u>Club House Construction</u>										
Cost Centre 102										
4277			1,098,324	0	7,582	0	0	0	0	0
4278			67,966	0	1,247	0	0	0	0	0
			1,166,290	0	8,829	0	0	0	0	0
1304			1,091,116	0	0	0	0	0	0	0
			1,091,116	0	0	0	0	0	0	0
	0	0	75,174	0	8,829	0	0	0	0	0

Net Course Expenditure over Income

Account number	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2015-16	2016-17	2017-18	2018-19
Golf Course										
Cost Centre 101										
Golf Clubhouse										
Cost Centre 103										
4000 Salaries & Wages				108,600	130,498	183,993	-75,393	170,000	175,000	
4001 Employers NI	21,057		1,162	5,959	4,039	5,395	564	4,500	5,000	
4002 Employers Superannuation	3,526		13,596	13,596	8,176	11,720	1,876	12,000	12,500	
4009 Recruitment Costs	2,871		500	500	375	4,642	-4,142	1,000	1,000	
4010 Staff Training	0		1,000	1,000	1,615	2,000	-1,000	2,000	2,000	
4016 Staff Uniform	0		500	500	515	600	-100	500	500	
4017 Time Sheet & Rota Software	0		0	0	160	160	-160	170	180	
4051 Rates	3,109		23,000	23,000	4,747	4,727	18,273	5,000	5,400	
4052 Water & Sewerage	0		1,200	1,200	2,611	4,476	-3,276	4,700	5,100	
4055 Electricity	0		6,000	6,000	8,307	14,241	-8,241	8,000	8,400	
4056 Gas	0		4,500	4,500	6,046	10,365	-5,865	11,000	11,500	
4060 Refuse	0		300	300	834	1,430	-1,130	5,000	5,400	
4100 Telecommunications	143		1,000	1,000	1,178	2,019	-1,019	2,200	2,300	
4105 Postage	0		200	200	0	0	200	300	400	
4106 Stationery	161		300	300	325	557	-297	700	800	
4110 Advertising & Publicity	578		2,000	2,000	959	1,644	356	2,500	3,000	
4113 Software Support	78		300	300	234	401	-101	450	500	
4114 Licence Fee & Sky	478		1,000	1,000	3,251	5,573	-4,573	1,000	1,000	
4115 Insurance	0		3,779	3,779	6,390	6,390	-2,611	6,500	6,800	
4155 Professional Fees	1,950		0	0	964	964	-964	0	0	
4156 Bank Charges	353		1,500	1,500	1,066	1,827	-327	1,900	2,000	
4196 Club House Events Expenditure	0		0	0	3,019	3,019	-3,019	0	0	
4199 Other Expenditure	0		0	0	429	429	-429	0	0	
4201 Cleaning	1,232		11,000	11,000	8,075	11,000	0	12,000	13,000	
4202 Linen Cleaning	0		0	0	1,632	2,798	-2,798	3,000	3,200	
4270 Vehicles & Equipment Maintenance	0		0	0	200	200	-200	0	0	
4272 Equipment Purchase	0		2,000	2,000	5,523	6,000	-4,000	5,000	5,000	
4275 Building Maintenance	0		1,000	1,000	4,076	4,500	-3,500	1,000	1,500	
4276 CCTV	0		0	0	2,000	2,000	-2,000	2,000	2,000	
4301 Public Works Loan Payment	49,668		110,000	110,000	51,131	98,480	11,520	110,000	110,000	
4303 Food Expenditure	8,952		41,400	41,400	58,216	86,000	-44,600	68,000	78,000	
4304 Bar Expenditure	12,996		40,417	40,417	39,506	54,000	-13,583	80,000	98,000	
4305 Fire extinguishers	2,691		600	600	0	0	600	620	640	
4306 Catering & Utensils & Equipment	1,340		0	0	5,664	6,000	-6,000	500	500	
4307 Bar Utensils & Equipment	1,088		0	0	1,685	2,000	-2,000	500	500	
4311 Pest Control	0		0	0	474	474	-474	400	400	
4412 Machine Games Tax	0		0	0	244	244	-244	0	0	
Clubhouse Expenditure	113,433		381,651	364,164	540,268	-158,617	522,440	561,520	0	

Golf Course
Cost Centre 101

Account number	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2015-16	2015-16	2016-17	2017-18	2018-19
1050	Income Rent		0	1,200	750	750	450	1,300	1,400		
1054	Income Other		0	0	320	320	2,000	3,000	4,000		
1100	Advertising		0	2,000	0	0	0	19,000	20,000		
1305	Income hire pro shop & changing rooms		0	18,000	0	18,000	0	45,000	60,000		
1306	Income Golf Club Room hires		758	25,000	7,137	10,000	15,000	200,000	245,000		
1307	Income Bar Sales		16,721	121,250	107,739	160,000	-38,750	170,000	195,000		
1308	Income Food Sales		11,853	82,800	93,782	145,000	-62,200	0	0		
1309	Income Fruit Machine		0	3,000	508	485	2,515	0	0		
1310	Society Club House Income		0	0	23,503	30,000	-30,000	35,000	37,000		
	Clubhouse Income		29,332	253,250	233,739	364,555	-110,985	473,300	562,400		0
	Clubhouse Net expenditure over Income		84,101	128,401	130,425	175,713	-47,632	49,140	-880		0
	Total Overall The View & Golf Expenditure	-53130	-41263	1,566,457	653,031	546,833	820,193	-167,162	828,190	897,089	0
	Total overall Golf & The View income	300177	275504	1409304	594880	558019	723607	-128407	844299	959792	0
	Total Golf and The View Balance	-353307	-316767	157153	58151	-11186	96586	-38756	-16109	-62703	0



Agenda Item No:	7
Committee:	Golf
Date:	8 December 2015
Title:	Town Clerk's Report
By:	James Corrigan, Town Clerk
Purpose of Report:	To update the Committee on the progress and actions that have taken place at The View.

Recommendations

You are recommended:

1. To note the contents of the report.

1. Update

- 1.1 Since the resignation of the former Business Manager a number of emergency actions have had to be taken. These have included initially securing the services of an experienced manager on a consultancy basis for three days per week. John Young had the remit to use his experience to analyse the expenditure of the venue to trim costs and reduce the differential between expenditure and income. He achieved this reducing the wage bill by over £5,000 per month.
- 1.2 Liza-Jane Jones was then appointed as temporary manager from her position as a supervisor. She has done a superb job and has been totally committed and dedicated. The venue is a much more productive and happier as a result of the actions taken.
- 1.3 Alongside this initially Len Fisher and latterly Sarah Pearce have been acting as Events and Marketing Officer. They have both done a superb job. Initially getting a system in place for all the event bookings and latterly managing these bookings and developing the marketing for the venue, including introducing the logo and its presence on all marketing materials.
- 1.4 Alongside this event planner and evaluation sheets have been introduced. These enable a financial analysis of all non-core costs for every event to take place quite easily. From this we can establish how much if anything each and every event is making. As a result of this, negotiations are taking place with for example the Jazz Night organisers to find ways to make this more profitable. Equally marketing is going to be targeted to those events where profits are greatest.
- 1.5 A HR firm has been appointed to lead on the appointment of a new Restaurant Manager with a view to making an appointment in mid to late January.
- 1.6 As was mentioned in the Head Greenkeepers report unfortunately Simon Lambert has left for pastures (or greens) new. He has been appointed as Head Green keeper at Hassocks Golf Course. He will be a big loss and we wish him well with his new position. The position has already been advertised and there has been a good response. Again we are looking to appoint in early January. This appointment is being handled internally. We are also looking to secure the services of a casual greenkeeper to provide cover between the 9th December and the appointment.

- 1.7 Unfortunately some staff have had to leave and more recently one member of staff was dismissed for theft. As is the policy of the Council this is now in the hands of the Police.
- 1.8 Developing the team is an ongoing exercise and the introduction of some new motivational incentives will engender loyalty and quality service from all the staff at The View.
- 1.9 The Junior Chef at the venue Rhys Williams has stepped up to Sous Chef and at times Head Chef with a view to him taking on this role permanently. We currently have a self-employed chef acting as Head Chef until March who is supporting and mentoring Rhys to achieve this objective.
- 1.10 A new staffing structure has been approved for the venue by the Personnel Committee which is attached for information. This is a more proactive structure and enables better customer care and marketing to take place effectively than the old one. These are attached at Appendix A & B.
- 1.11 Following issues raised in the previous meeting and concerns of Councillors and Officers alike, lights have been purchased and installed in the car park this week. They are very effective, however one light on the front of the building needs relocating to prevent light pollution to neighboring properties. A better system to turn them on and off with is also on order.
- 1.12 The surfacing of the car park has also been completed and looks excellent. The resurfacing of the remainder of Southdown Road is scheduled to take place in January.
- 1.13 The introduction of solar panels to the roof of the building has been deferred until the planting issues on the roof have been resolved, this is being looked at presently.
- 1.14 The financial performance of the View is covered elsewhere in the agenda so is not repeated in this report.

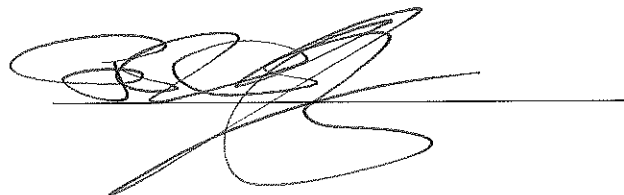
2. Financial Appraisal

There are no financial implications as a result of this report.

3. Contact Officer

The Contact Officer for this report is James Corrigan, Town Clerk

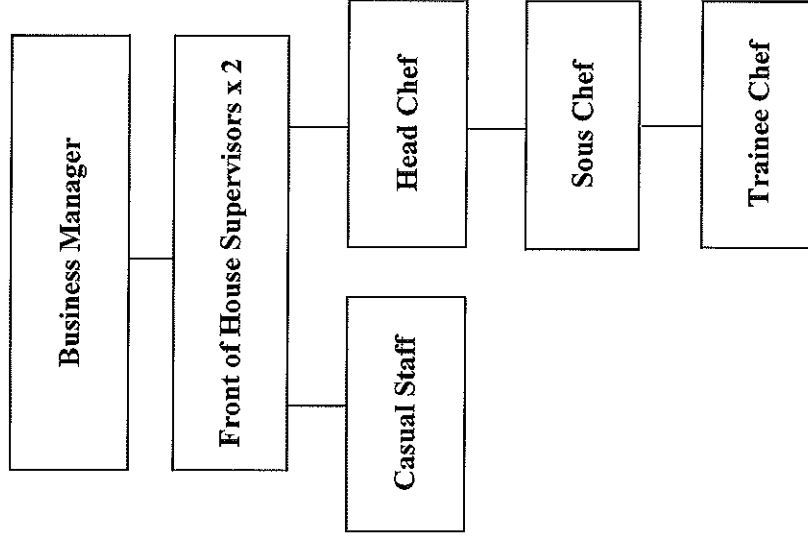
Town Clerk

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Seaford Town Council

Seaford Head Golf Clubhouse Staff Structure



Appendix A



The View Staff Structure

