

## Revenue Budget Summary Oak Leaf Golf Course and Driving Range

Budget Description	Budget Holders	2017/18 Gross Budget	2017/18 Net Budget
Golf Course and Driving Range	Steve Cooper (Works and Environment Manager)	£267,350	£87,350

### **Purpose of the Budget:**

The purpose of the Golf Complex Budget is to fund the operational resources including staffing, sub - contractors, premises, vehicles, machinery and equipment required to run and maintain a municipal golf course and driving range to the required standards.

### **Scope of Activity and Nature of the Service:**

The Oak Leaf Golf Complex is managed and administered on a day to day basis by a PGA qualified golf professional on a sub-contract arrangement with the Council. The golf manager is responsible for opening and closing the premises, running a golf shop, cleaning, taking payments, customer service and care, picking up balls on the range on weekends, and providing coaching and club repair services. The current golf manager, Julie Welch, was appointed in February 2014, on a four year contract, and the Golf Complex Budget provides fully for the retainer and commission payment linked to this contract.

The Council is responsible for the upkeep of the golf course and driving range. The golf course employs three permanent green keeping staff with additional cover provided from the Works Department as and when required. The Council also provides the various vehicles and machinery required to maintain the golf course and driving range such as fairways, tees and greens mowers, and the range ball collector, ball washer and ball dispenser.

The Golf Complex Budget provides for the costs of the green keeping staff, the golf manager contract, the running costs of the golf complex building incorporating the driving range, changing rooms and toilet facilities and the golf shop, running costs of the golf course irrigation system, equipment such as flags, range balls and nets, equipment maintenance, course maintenance materials, pesticide spraying works undertaken by external contractors, insurance, subscriptions, marketing, and scorecards.

The golf course and driving range is a discretionary service area.

### **Contribution to Council Aims:**

The provision of a golf course and driving range contributes to the following Council Strategic Aims:

*Aim 2: "To manage the Council's finances and assets in a responsible manner"*

*Aim 3 "To provide accessible, affordable leisure facilities and opportunities"*

### **Performance Measures and Indicators**

The provision of the golf course and driving range contributes directly towards the Strategic Aims highlighted above, as well as one specific target within the Service Delivery Plan:-

30. Undertake a service review of the golf complex

A historic performance target for the golf course was to generate a surplus of income over expenditure. This was regularly achieved until the onset of the economic difficulties in 2008. This, along with poor weather conditions and increased competition, has had a significant impact on income. Taken alongside increases in running costs and increased depreciation charges following significant capital investment in the golf course, this has resulted in the facility moving from a position of surplus to one where the golf complex is currently being provided at a net cost to the local taxpayer.

However it remains a long term target for the golf complex to return to a position of surplus.

## Key Budget Changes for 2017/18

The Golf Course Budget has increased by £5,600 or 10.5%, to a net running cost of £58,800 per year.

Running costs have increased by £2,100 per year largely due to increases in works staffing costs linked to the 2017/18 local government pay award and increases in employers' pension contributions following the revaluation of the Durham County Pension Fund, and an increase in business rates.

The golf course income budgets have been reduced by £3,500 reflecting the fall in membership numbers during 2016/17, although this has been partly offset by a small increase in buggy hire income.

The Driving Range Budget has remained relatively unchanged at a net running cost of £28,550 per year, with increases in running costs offset by savings. The income target for the driving range has been frozen at the current level.

## Importance of Service to the Community

The golf course currently has a total membership of 278, which is down by 38 members on the previous year. This follows on from the loss of more than 100 members in 2015 following the re-opening of Woodham Golf Club, which saw a large number of ex-Woodham members return to their 'home' club.

However, the course also has a significant number of casual 'pay as you play' users.

There were 16,763 rounds played on the golf course in 2015/16, broken down as follows:-

Season Ticket Rounds – Weekday	7,237	Season Ticket Rounds – Weekend	2,376
Casual Rounds – Weekday	4,468	Casual Rounds – Weekend	2,682

This is a decrease of nearly 6,000 visits on 2014/15, reflecting the reopening of Woodham Golf Club and very poor weather conditions. Usage during the first half of 2016/17 has increased on 2015/16.

Driving range usage has reduced marginally from 14,000 baskets of balls per year in 2015/16 to a projected 13,750 baskets of balls in 2016/17, an average of 265 customers per week.

The Neighbourhood Plan Survey and budget consultation event have provided some feedback as to public satisfaction with the facility. This shows that while there are some taxpayers who wish to see disinvestment in the facility, the satisfaction level amongst actual users of the facility is high. It is also important to remember that the golf course historically generated a surplus for the Council.

## External Funding and Fees and Charges:

2017/18 fees for the Golf Course and Driving Range are as follows:-

	Adult	Senior Citizen	18-21	14-18	Under 14
7 Day Season Ticket	£360	£315	N/a	N/a	N/a
5 Day Season Ticket	£315	£265	£210	£85	Free
Green Fees – Weekday	£13.00	£10.00	£10.00	£10.00	£10.00
Green Fees – Weekend / Bank Holiday	£16.00	£14.00	£14.00	£14.00	£14.00
Buggy Hire – Season Ticket	£12.50	Driving Range - Large Basket of Balls		£4.00	
Buggy Hire – Non Member	£15.00	Driving Range - Small Basket of Balls		£2.00	

Total budgeted income for 2017/18 is as follows:-

Green Fees	£75,000
Memberships	£55,000
Buggy Hire	£7,500
Driving Range	£42,500
<b>Total</b>	<b>£180,000</b>

Charges are regularly benchmarked against other providers and membership prices in particular are amongst the lowest in the region. Charges are reviewed by the Council's Charges Working Group.