

Aldershot Lido – Revised Financial Arrangement for 2015

Introduction

- This paper seeks approval to enter a financial arrangement where the Council share the risk and return linked to profit, 50:50 with Places for People for 2015, with our maximum risk and return being capped at £20k.
- The Council and Places for People are working closely with the Friends of Aldershot Lido (FOAL) and are promoting a new range of family season tickets, discounted books of tickets (5 for 4) and a loyalty card (visit 5 times and receive a free entry).
- Places for People have also promoted the Lido through a military magazine offering a 10% discount to encourage usage and are bringing the half price entry forward from 4.30pm to 3.30pm.
- The Council will redecorate the changing rooms and toilets prior to the summer holiday period, Places for People are looking into additional seating close to the café and have installed Wi-Fi around the grounds, and all three partners have increased the level of promotion and publicity, particularly through social media.
- It is hoped that these initiatives will encourage residents to attend more often and show their support for the Lido.
- FOAL has made other suggestions such as the provision of rain canopies and these will be consider for future years.
- Given the additional work from FOAL and the Council, through discussions with Places for People, it is proposed to share any surpluses or deficits equally (50:50) from their budgeted profit figure (£21k) for the Lido, with a maximum risk or return to the Council capped at £20k. This will help ensure that any increased support from local residents has the potential to reduce the Councils subsidy rather than solely improve the profit for the contractor.
- The Cabinet Members for both Leisure & Youth and Corporate Services are supportive of these revised financial arrangements in that they will encourage support from FOAL and the community to help reduce the Councils subsidy, but also mitigate the level of potential risk to the Council.

Financial Implications

- Based on the past 7-year's average, the proposed revised financial arrangements would have resulted in an increased subsidy for the Council of around £6k pa. However the past 3 years (2012 to 2014) would have returned a profit with the previous 4 years (2008 to 2011) a deficit.
- The worst performing year was in 2008 at minus £29k and best performing year was in 2013 at plus £89k. In each case with the risk and return capped, the Council would have seen either an increased subsidy (2008) or return (2013) of £20k. It is anticipated that with a fair summer and the additional work of the partners, the Council should see its subsidy reduced for this year.

Recommendation

- Cabinet is recommended to agree the above revised financial arrangements for the 2015 Lido season.

Peter Amies

Head of Community & Environmental Services