
REPORT TO:	Housing and Community Services Committee	AGENDA ITEM: 6
DATE OF MEETING:	26 th November 2009	CATEGORY: Delegated
REPORT FROM:	Overview and Scrutiny Committee	OPEN
MEMBERS' CONTACT POINT:	Councillor C. Jones	DOC:
SUBJECT:	Rosliston Forestry Centre – Update on Business Plan 2008/9	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: HCS08

1.0 Recommendations

- 1.1 The Overview and Scrutiny (O&S) Committee wishes to record its satisfaction with the progress made by the Forestry Centre, together with its vision for the future.
- 1.2 That a further review in 2010/11 be undertaken of Rosliston Forestry Centre's Business Plan for 2009/10 and that, in particular, the 'Get Active in the Forest' and Environmental Education work be addressed as part of the review.

2.0 Purpose of Report

- 2.1 To provide a report on the O&S Committee review of the 2008/9 Rosliston Forestry Centre Business Plan.

3.0 Detail

- 3.1 Overview and Scrutiny committee received a presentation from Head of Leisure and Community Development about the performance and development of Rosliston Forestry Centre since the O&S review in November 2008.
- 3.2 The 2008/9 income and expenditure totals were very close to budget (plus or minus £2,000) which meant for the first time the partners expected subsidy to the site was less than budgeted. This fact is all the more noteworthy as day visitor numbers in 2008/9 fell by approximately 15,000 to 175,000. Although disappointing the decrease in visitor numbers was attributed to factors outside the partners control i.e. poor weather particularly during peak visitor periods (Summer 2008). Also worthy of note is the fact that a sum of £6,915 income was received from the income share lease arrangement with the café. This is held outside of the business plan. The original intention was that this sum should cover the risk of a claim on initial investment by the new café leaseholder. This circumstance is highly unlikely and partners are now looking to utilise this money for long-term reinvestment in the site infrastructure.
- 3.3 The 2008/9 year-end summary figures mask variations for some individual budget lines. The most significant of these were a rise in costs for electricity and equipment and tools and £70,000 income received via cabins against a target of £74,000. A

revised budget and marketing strategy has addressed these matters going forward in 2009/10.

- 3.4 A recommendation of the original O&S review was that the partners seek to maximise the potential for increasing income and reducing costs on an ongoing basis. To this end a number of the future developments have been successfully progressed. The building of five wooden construction demonstration standard business units is now at contract letting stage with a view to work starting on site in mid November and tenants being in situ around May 2010. The value of this work is in the region of £500,000. The Glade in the Forest Arena has seen improvements in lighting, sound, security, flooring, signage and fit out and the start of a performance programme. A new crazy golf facility uniquely based on the lifecycle of birds of prey is up and running. Further feasibility into the potential of a wind turbine is being conducted. An anemometer that measures wind speed is currently on site. Accurate on site measurements will indicate whether it is worth securing the capital funding required for installation. A marquee has been purchased and utilised for weddings and other activities in the Glade.
- 3.5 Business plan performance is monitored on a monthly basis both internally and at a project management meeting of partners and contractors. Performance to date in 2009/10 is on track for both income and expenditure. The key income lines are the cabins and car park. The cabins have benefited from additional marketing support to bring them closer to target and the car park income is performing as expected with visitor numbers similar to the record year of 2007/8. Additional costs anticipated for electricity, equipment and contractor services have been absorbed by savings elsewhere and new income from the Crazy golf facility and weddings. Overall the partners' projection is that the business plan will perform as expected and to budget.
- 3.6 Business planning for the Forestry Centre is a dynamic exercise as the site is continually developing but also at the mercy of factors outside of it's control such as the weather, external economic factors and rising fuel costs.
- 3.7 Additional income in future years is anticipated due to the crazy golf facility, wedding and marquee related hire, glade use and business units letting. Further Aurora Country Developments Ltd are continuing to try and secure cabin contracts with specialist disability providers that would significantly ease cabin income targets. However, associated costs of management, staffing, maintenance, marketing etc need to be offset against the income figures before a real benefit to the business plan can be calculated. As an example it should be noted that that some of the cultural activity at the Glade in the Forest Arena is temporarily subsidised via the Arts Lottery grant and future programming will need to take this into account.
- 3.8 Since the initial report went to committee the executive partners have purposefully delayed compiling the 2010-15 strategic vision and business plan in order to focus resources on realising the Glade and Business Units capital projects. Consequently, the five-year financial forecast for the centre has not been significantly revised, but rather adjusted to take into account current known factors. This means that as previously reported the Centre will perform at the same cost to the two funding partners as budgeted. A full-scale update will accompany the new strategic vision and business plan scheduled for 2010.
- 3.9 The addition of the business units to the site means it is getting physically close to capacity in terms of new large-scale capital developments. However partners have identified an opportunity to develop a family cycle skills area and associated trails

and secured some external finance to do further planning and initial works within this financial year.

- 3.10 Another recommendation from the original scrutiny report was that partners consider increased contributions to the Business Plan's marketing budget. In light of this an additional £1,500 has been found from efficiency savings.

4.0 Financial Implications

- 4.1 There are no immediate financial implications as the centre continues to operate within budget. It is hoped that once the recent, current and projected site developments are fully implemented and operational they will have a positive impact on the centres overall financial performance and be reflected in the new strategic vision and business plan. However, the executive partners are also mindful that prudent long term planning demands that where possible finance is set aside to maintain the site infrastructure and protect the centre's reputation for quality.

5.0 Corporate Implications

- 5.1 Rosliston Forestry Centre continues to make a significant contribution to the Council's Corporate Plan across all four priority areas

6.0 Community Implications

- 6.1 The Forestry Centre has developed into one of the District's biggest, busiest and most well used community/leisure/visitor facilities. Significant numbers of local people and tourists use the Centre on a regular basis as a venue for exercise, play and holiday.

7.0 Conclusions

- 7.1 The Centre continues to perform according to its business plan.
- 7.2 Significant progress has been made in developing and realising initiatives identified in the previous report to scrutiny.
- 7.3 The impact of new developments will be incorporated into the 2010 to 2015 strategic vision and business plan and balanced against the need to safeguard and maintain the site's infrastructure and reputation for quality.

8.0 Background Papers

- 8.1 Report to Overview and Scrutiny 17 September 2008. Report to Overview and Scrutiny 29th October 2008. Report to Housing and Community Services 27th November 2008. Report to Overview and Scrutiny 5th November 2009.