

## Assumptions within King Georges Pavilion Operating Model

Alliance Leisure Services Ltd (ALS) was appointed by Brentwood Borough Council (the Council) through the UK Leisure Framework to develop a sustainable business plan for the on-going leisure and community use of King George's Playing Fields (hereafter known as KGPF).

The project objective includes options for capital investment at KGPF to meet the future needs of Brentwood residents in terms of sport, leisure, physical activity and open space whilst ensuring the revenues generated from some of the activities enable the council to fund the improvements. Identification of suitable management arrangements will be integral to the delivery of future income streams.

ALS has partnered with:

- Max Associates - to undertake consultation, review sports provision and develop the business approach;
- Saunders Boston Architects - to provide outline plans and costs; and
- Createability – for design and construction.

The business case considers future demand for the outdoor sports provision, commercial leisure opportunities, catering offer and the wider open spaces of KGPF. The current and potential future management arrangements have also been considered.

This report looks to detail the research and benchmarking carried out to arrive at the financial forecasts built within the Business Case operating Model.

Max Associates who drafted the original Business Case, carried out the following;

- **Demographic Review** – to aid in understanding the population trends and demographics of Brentwood in order to help develop the proposals for KGPF. The population data was reviewed, along with the Sport England Market Segmentation and levels of physical activity.
- **Population Catchment** – Catchments for different facilities in the Playing Fields will differ. The use of the playground, skatepark, floral gardens and the general open space will likely attract from a smaller catchment compared to, The indoor soft play type facilities are likely to attract from a 15 – 20 minute catchment, and it is anticipated that new outdoor attractions will drive a catchment of 30 minutes and beyond.
- **Consultation** - To further understand the opportunities for development of KGPF and to gauge the level of community interest a range of stakeholder and community consultation has been undertaken. Stakeholders that are tenants at KGPF have provided feedback about the possibility of having a central pavilion hub with a range of services being provided. Community consultation was undertaken to understand people's attitudes and perceptions towards KGPF. Three different methods were undertaken in the form of an online survey and via face to face interviews at KGPF and at the Strawberry Fair held at Shenfield Common on 16<sup>th</sup> June 2018.

### Survey Key Findings

The key findings of the surveys are set out below:

- The distance that most of the park visitors had travelled differed between surveys with the majority of face to face survey visitors coming from over 10 miles away, whilst those completing the survey online lived much closer with 50% travelling 1 to 3 miles.

- Travelling to the park by car was by far the main mode of transport for all surveys but peaked at 92% for the face to face user surveys.
- Frequency of visit varied between the three different surveys, with 51% of the online respondents stating that they came once a month or less, whilst 62% of the face to face respondents were coming at this frequency.
- In addition 7% to 10% of the online and Strawberry Fair respondents stated they came daily.
- The Children's Play area was the main reason for visiting from all surveys, averaging around 60%, followed by Crazy Golf and the Formal Gardens.
- The main reasons for people not visiting/using the Playing Fields were 'Not Enough Time', followed by 'Other', and then 'No Features/Facilities that interest me'.
- For people that don't currently visit there were several things that would apparently encourage them to visit, but the splash pad seems to be the main possible development.
- For people already using the area, the main thing that would encourage them to use more were "features/activities for families to enjoy together at 19% Strongly Encourage, followed by "more features for children under 12"
- The features that would encourage users to use the area more were an Outdoor Adventure Play area, and a Splash Pad

The consultation has identified that additional or improved outdoor play provision would be the main reason for people to use the KGPF more often. This might be due to the main reasons that people are currently visiting the site. Adventure play and a splash park are the highest scoring attractions from the surveys. This might also be impacted due to the existing paddling pools being closed for the 2018 season.

To assess the type of alternative activities that could be provided at KGPF to support the Council's Vision, the type of destination leisure facilities that are within the relevant catchment area have been assessed to the type of facilities and activities are provided in the region. Table 1 identifies the key competitor facilities

**Table 1: Key Competitors**

Competition	Catchment Area	Comments
High Ropes	45-minute drive	There are 10 high rope venues within a 45-minute drive of which two are indoor, Kidspace and AdventureKidz
Zip Wires	45-minute drive	There are five zip wires at the sites with high ropes
Jump/Thrill Towers	45-minute drive	There is a tower at Stubbers Adventure Centre which you can abseil down.
Segway	45-minute drive	There are three venues where you can use segways
Trampoline Parks	30-minute drive	There are six trampoline parks within a 30-minute drive. There are no outdoor trampoline parks
Amazing Play	45-minute drive	There are six maize mazes within a 45-minute drive, one with scramble nets.
Soft Play	30-minute drive	There are twenty-four soft play venues within a 30-minute drive
Splash Pads	60–90-minute drive	There are seven parks with splash pads within an hour and half drive
3G Pitches	20-minute drive	There are four 3G pitches within a 10-minute drive. This increases to thirty sites with 3G once the catchment is increased to 20-minutes.

### Proposed Facility Mix

Based on the outline vision of the Council, community and stakeholder consultation, demographic review and the competition analysis there is clear opportunity for the development of King George’s Playing Fields. The community consultation has shown that KPFG is well-regarded and the community would like to see improved, especially with activities for children.

The wide mix of stakeholders are all keen to stay at the site and while they all have different needs, there is a recognition that sharing a new improved pavilion would be beneficial.

The suggested facility mix for a new pavilion has been explained within the table 2 below.

**Table 2: Proposed Facility Mix**

Proposed facility mix
<b>Indoor</b>
<b>Golf clubhouse</b> <ul style="list-style-type: none"><li>• Club Room</li><li>• Access to community room</li><li>• Storage space for trophy cabinets and wall space for wallboards</li></ul>
<b>Golf Pro Shop</b> <ul style="list-style-type: none"><li>• Shop floor space to be to large enough to sustain commercial golf shop</li><li>• Reception point for green fee payments</li><li>• Direct access to 1<sup>st</sup> tee of course</li><li>• Small office to support shop</li></ul>
<b>Community Room</b> <ul style="list-style-type: none"><li>• Flexible space with good storage</li><li>• Integrated audio system</li></ul>
<b>Indoor adventure play</b> <ul style="list-style-type: none"><li>• Soft Play (aimed at pre-school and school aged children)</li><li>• Tag Active or large adventure play</li><li>• Seating area to support</li></ul>
<b>Café facilities</b> <ul style="list-style-type: none"><li>• Located at the heart of the pavilion</li><li>• To provide catering for the indoor adventure play and for the wider park users</li><li>• Access to outside area (directing toward adventure golf and playgrounds)</li></ul>
<b>Shared facilities – open to the public</b> <ul style="list-style-type: none"><li>• Male and Female public toilets</li><li>• Changing Places facility</li></ul>
<b>Outdoor</b>
Splash Pad
Sky Trail & Climbing Nets
Additional car parking or overflow parking

## **Revenue Business Model**

A revenue business model has been developed for the facilities within the Playing Fields. The business model sets out total income and expenditure projected once the pavilion and outdoor developments have been completed.

In projecting the potential income streams, the following has been considered:

- size, layout and capacities of new pavilion and outdoor activity areas;
- assessment of the existing income and expenditure to understand the current cost of KGPF;
- demographic profile of the area;
- demand and supply assessments for key facilities;
- results of the stakeholder and community consultation and
- competition and comparable facility review for indoor/outdoor activities and soft play pricing.

Expenditure projections are based on the following:

- existing costs attributed to the Playing Fields;
- industry rates for R&M and utilities for the pavilion.
- staffing costs at average industry rates;
- maintenance and equipment placement costs of the activity areas; and
- central costs of the managing organisation.

The opening hours are set out in the table 3, including current and those recommended for new facilities.

**Table 3: Opening Hours of New Pavilion**

<b>OPENING HOURS</b>		<b>Open</b>	<b>Close</b>	<b>Total Hours</b>	<b>Comment</b>
<b>Pavilion building</b>	M-F	07:00 am	08:00 pm	85:00	Weekend times may close later in functions are on.
	S/S	08:00 am	06:00 pm		
<b>Soft Play</b>	M-F	10:00 am	06:00 pm	56:00	
	S/S	10:00 am	06:00 pm		
<b>Tag Active – term time</b>	M-F	04:00 pm	08:00 pm	36:00	Open after school and weekends during term time
	S/S	10:00 am	06:00 pm		
<b>Tag Active - holidays</b>	M-F	10:00 am	08:00 pm	66:00	Longer opening hours during holidays
	S/S	10:00 am	06:00 pm		
<b>Splash Pad</b>	M-F	11:00 am	06:00 pm	49:00	Open: Easter holidays & May half term. Weekends April, May and Sept. All week from end June – beginning September.
	S/S	11:00 am	06:00 pm		
<b>Café</b>	M-F	7:00 am	06:00 pm	87:00	Café open early for early golf tee off's.
	S/S	7:00 am	06:00 pm		
<b>Outdoor sky trail / nets – term time</b>	M-F	04:00 pm	06:00 pm	24:00	Open after school and weekends during term time.
	S/S	11:00 am	06:00 pm		
<b>Outdoor sky trail / nets- holidays</b>	M-F	10:00 am	06:00 pm	56:00	Longer opening hours during holidays
	S/S	10:00 am	06:00 pm		
<b>Golf Course - summer</b>	M-F	07:30 am	06:00 pm	73:30	
	S/S	07:30 am	06:00 pm		
<b>Golf Course - winter</b>	M-F	09:00 am	04:00 pm	49:00	
	S/S	09:00 am	04:00 pm		

## Pricing

The key prices for the new facilities are set out in Table 4. It should be noted that these Fees and Charges are indicative figures and would be set by the wholly owned company and not the Council. The prices stated are inclusive of VAT.

**Table 4: WoC Fees & Charges Assumptions**

KEY PRICES	Activity	Price
Tag Active	Over 8s	£8.00
2 hrs	Adult	£14.00
	Parties (excluding food)	£10.00
	Party food	£4.50
Sky Trail / Nets	Junior 8+	£9.00
	Adult	£9.00
	Party (excluding food)	£7.00
	Party food	£4.50
Splash Pad	Junior	£2.50 (per half hour)
	Parties	£4.00
	Party food	£4.50
Soft Play	Peak	£4.50
	Off Peak	£4.00
	Party (excluding food)	£5.00
	Party food	£4.50
Multi-Purpose Room	Peak (per hour)	£18.00
	Off Peak (per hour)	£12.00
Golf course	Round (average)	£20.00
	Memberships (average)	£650.00
	20 ticket rounds (average)	£300.00
Bowls	Adult	£152.00
	Concession	£96.00

The income budgets are calculated by taking the net fees and charges and then multiplying them by the usage profile. The usage is currently assumed to be high in the first two years of operation and reducing to a steady average over years 3-5 as the operation becomes established.

Table 5 details the usage forecast over years 1 to 5. Following on from this is the Income assumptions for each income line.

**Table 5: Usage Assumptions**

USAGE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Indoor - Soft Play	52,911	52,911	49,052	46,416	46,416
Indoor - Junior Tag	42,240	42,240	38,244	34,110	34,110
Multipurpose Room	37,350	37,350	37,350	37,350	37,350
Splash Pad	11,700	11,700	11,320	10,940	10,940
Sky Trail / Tree Nets	53,040	53,040	49,940	46,840	46,840
Golf Course	14,725	14,725	14,725	14,725	14,725
Bowls	3,600	3,600	3,600	3,600	3,600
Junior Football Pitches	1,300	1,300	1,300	1,300	1,300
<b>TOTAL</b>	<b>216,866</b>	<b>216,866</b>	<b>205,531</b>	<b>195,281</b>	<b>195,281</b>

**Income Assumptions**

**Table 1: Income Assumptions**

Activity Area	Income Projections – Mature Year					
Adventure Play – capacity 60 children	The key utilisation assumptions are detailed below. It is projected the main usage will come from pre-school children and parties during the term day times.					
		<b>Program</b>	<b>No units</b>	<b>Utilisation</b>	<b>Utilisation Yr 3</b>	<b>Utilisation Yr 4 +</b>
	<b>Adventure Play</b>	Junior	48	40%	38%	35%
	Term Time	Toddler	12	20%	18%	15%
		Parties	30	75%	73%	70%
	<b>Adventure Play</b>	Junior	48	35%	30%	30%
	Holidays	Toddler	12	20%	18%	15%
		Parties	30	45%	43%	40%
	Total adventure play usage is projected to be 52,911 in Year 1.					
Out of the usage, it is projected that 80-90% will be from local people within a 20-minute catchment, who will use the soft play and park area, to provide activity for children and meet up with friends. It is anticipated that people will visit on a regular monthly basis.						
This level of usage has been benchmarked within other comparable facilities of this nature.						

Activity Area	Income Projections – Mature Year																																						
Active Tag – capacity 60 people	<p>Usage is predominantly projected from the 10 - 17 age group with friends attending in groups, although it is believed there will be a small proportion of adult use by parents / carers and corporate events. Parties have also been programmed in. The utilisation during term and holiday times is set out below.</p> <table border="1" data-bbox="316 376 1398 1099"> <thead> <tr> <th></th> <th>Program</th> <th>No units</th> <th>Utilisation</th> <th>Utilisation Year 3</th> <th>Utilisation Year 4 +</th> </tr> </thead> <tbody> <tr> <td rowspan="3"><b>Active Tag - Term</b></td> <td>Over 8s</td> <td>60</td> <td>25%</td> <td>23%</td> <td>20%</td> </tr> <tr> <td>Adult</td> <td>60</td> <td>10%</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>Parties - 15.</td> <td>15</td> <td>50%</td> <td>48%</td> <td>45%</td> </tr> <tr> <td rowspan="3"><b>Active Tag - Holiday</b></td> <td>Over 8s</td> <td>60</td> <td>30%</td> <td>28%</td> <td>25%</td> </tr> <tr> <td>Adult</td> <td>60</td> <td>10%</td> <td>8%</td> <td>8%</td> </tr> <tr> <td>Parties - 15.</td> <td>15</td> <td>50%</td> <td>48%</td> <td>45%</td> </tr> </tbody> </table> <p>Total usage is averages at 37,925 over a 5-year period. It is projected that 80% of visits will be from the 30-minute drive time, with 20% of visits particularly during holidays coming from further afield.</p> <p>Due to Tag Active being a new product, only being introduced into the country in 2017, there is limited facilities to benchmark income. However, income is being generated in the region of £290k per annum on average, however it is believed with the improved local catchment of KGPF, these levels will be surpassed.</p>		Program	No units	Utilisation	Utilisation Year 3	Utilisation Year 4 +	<b>Active Tag - Term</b>	Over 8s	60	25%	23%	20%	Adult	60	10%	8%	8%	Parties - 15.	15	50%	48%	45%	<b>Active Tag - Holiday</b>	Over 8s	60	30%	28%	25%	Adult	60	10%	8%	8%	Parties - 15.	15	50%	48%	45%
	Program	No units	Utilisation	Utilisation Year 3	Utilisation Year 4 +																																		
<b>Active Tag - Term</b>	Over 8s	60	25%	23%	20%																																		
	Adult	60	10%	8%	8%																																		
	Parties - 15.	15	50%	48%	45%																																		
<b>Active Tag - Holiday</b>	Over 8s	60	30%	28%	25%																																		
	Adult	60	10%	8%	8%																																		
	Parties - 15.	15	50%	48%	45%																																		
Splash pad – capacity 50 children	<p>Usage and therefore income for the Splash pad will be very weather dependent and the pad will only be open for the spring and summer months.</p> <p>The climate has been reviewed for Essex to estimate the number of rainy days. Out of the 120 days the pad would be open, it is projects that approx. 40 of these will be 'rainy' days. Therefore, we have assumed income from the dry days only. On the hot sunny days, it is anticipated that the pad will be 100% full, but only less sunny days a lower usage. Overall, we have projected a 75% utilisation during the dry days the pad is open.</p> <p>Income is not dissimilar to that achieved at the Maldon Splash pad.</p>																																						

Activity Area	Income Projections – Mature Year																																							
Sky Trail and Nets	<p>The sky trail and nets are new products being bought into the UK. The aim is to offer a unique outdoor adventure experience for older children to complement the offer for younger children (existing play equipment and new splash pad).</p> <p>It is anticipated that the Sky Trail and Nets will be free play (unlike the Go Ape tree climbing concept) and focused at the 10-17 age range.</p> <p>Because of the unique offer, it is projected that 60% of users will come from a 30-minute drive time, and 40% will come from further afield.</p> <p>The utilisation during term and holiday times is set out below. It is assumed that whilst older children will still take park in inclement weather, usage will not be as high on rainy days as compared to dry days, therefore for across the years, it is assumed that 30% of the days will have lower usage due to poor weather.</p> <table border="1" data-bbox="316 719 1257 1361"> <thead> <tr> <th></th> <th>Programme</th> <th>Utilisation Year 1&amp;2</th> <th>Utilisation Year 3</th> <th>Utilisation Year 4 +</th> </tr> </thead> <tbody> <tr> <td rowspan="4"><b>Sky Trail - Term</b></td> <td>Adult</td> <td>20%</td> <td>18%</td> <td>15%</td> </tr> <tr> <td>Junior</td> <td>45%</td> <td>43%</td> <td>40%</td> </tr> <tr> <td>Hire</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Parties - 16</td> <td>80%</td> <td>75%</td> <td>70%</td> </tr> <tr> <td rowspan="4"><b>Sky Trail - Holiday</b></td> <td>Adult</td> <td>20%</td> <td>18%</td> <td>15%</td> </tr> <tr> <td>Junior</td> <td>55%</td> <td>53%</td> <td>50%</td> </tr> <tr> <td>Hire</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Parties - 16</td> <td>80%</td> <td>75%</td> <td>70%</td> </tr> </tbody> </table> <p>Total usage is projected at just over 49,940 a year on average.</p>		Programme	Utilisation Year 1&2	Utilisation Year 3	Utilisation Year 4 +	<b>Sky Trail - Term</b>	Adult	20%	18%	15%	Junior	45%	43%	40%	Hire				Parties - 16	80%	75%	70%	<b>Sky Trail - Holiday</b>	Adult	20%	18%	15%	Junior	55%	53%	50%	Hire				Parties - 16	80%	75%	70%
	Programme	Utilisation Year 1&2	Utilisation Year 3	Utilisation Year 4 +																																				
<b>Sky Trail - Term</b>	Adult	20%	18%	15%																																				
	Junior	45%	43%	40%																																				
	Hire																																							
	Parties - 16	80%	75%	70%																																				
<b>Sky Trail - Holiday</b>	Adult	20%	18%	15%																																				
	Junior	55%	53%	50%																																				
	Hire																																							
	Parties - 16	80%	75%	70%																																				
Multipurpose room	It is planned for the multipurpose room to be used for local meetings and / or the base for local providers delivering fitness / boot camp type classes within the Playing Fields.																																							
Outdoor Sports income	<p><b>Golf income</b> is uplifted from current levels by approximately 10%, this is due to the improvements planned by soil importation to improve the course and the new pavilion providing an improved ancillary offer to users.</p> <p><b>Bowls Income</b> is projected to remain at current levels.</p> <p><b>Football pitch income</b> – is reduced to reflect junior pitch hire – as it is understood that the adult pitches will move to a different location. It is noted that the income from these pitches will not be ‘lost’, but simply not reflected within this business model.</p>																																							

Activity Area	Income Projections – Mature Year																																																																						
Secondary	<p><b>Catering</b> – it is understood that the council current gains £25k per annum for the catering concession. The fact that the operator is out of contract and has continued, suggests the contract, on this basis, is profitable for them.</p> <p>Going forward with the catering unit serving the pavilion and indoor activities, for an efficient operation, it is assumed that the same operator manages both. (This also supports party packages with activities and food combined).</p> <p>The assumptions to project the catering income are set out below:</p>																																																																						
	<table border="1"> <thead> <tr> <th></th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> <th>Year 4</th> <th>Year 5</th> </tr> </thead> <tbody> <tr> <td>Specific Park Users</td> <td>199,893</td> <td>197,241</td> <td>184,586</td> <td>175,656</td> <td>175,656</td> </tr> <tr> <td>General Park Users</td> <td>120,000</td> <td>120,000</td> <td>120,000</td> <td>120,000</td> <td>120,000</td> </tr> <tr> <td>Total</td> <td>319,893</td> <td>317,241</td> <td>304,586</td> <td>295,656</td> <td>295,656</td> </tr> <tr> <td>Indoor - Soft Play</td> <td>£2.00</td> <td>£2.00</td> <td>£2.00</td> <td>£2.00</td> <td>£2.00</td> </tr> <tr> <td>Indoor - Junior Tag</td> <td>£3.00</td> <td>£3.00</td> <td>£3.00</td> <td>£3.00</td> <td>£3.00</td> </tr> <tr> <td>Multipurpose Room</td> <td>£0.50</td> <td>£0.50</td> <td>£0.50</td> <td>£0.50</td> <td>£0.50</td> </tr> <tr> <td>Splash Pad</td> <td>£1.00</td> <td>£1.00</td> <td>£1.00</td> <td>£1.00</td> <td>£1.00</td> </tr> <tr> <td>Sky Trail</td> <td>£1.50</td> <td>£1.50</td> <td>£1.50</td> <td>£1.50</td> <td>£1.50</td> </tr> <tr> <td>Tree Nets</td> <td>£1.00</td> <td>£1.00</td> <td>£1.00</td> <td>£1.00</td> <td>£1.00</td> </tr> <tr> <td>General park users</td> <td>£0.30</td> <td>£0.30</td> <td>£0.30</td> <td>£0.30</td> <td>£0.30</td> </tr> </tbody> </table>						Year 1	Year 2	Year 3	Year 4	Year 5	Specific Park Users	199,893	197,241	184,586	175,656	175,656	General Park Users	120,000	120,000	120,000	120,000	120,000	Total	319,893	317,241	304,586	295,656	295,656	Indoor - Soft Play	£2.00	£2.00	£2.00	£2.00	£2.00	Indoor - Junior Tag	£3.00	£3.00	£3.00	£3.00	£3.00	Multipurpose Room	£0.50	£0.50	£0.50	£0.50	£0.50	Splash Pad	£1.00	£1.00	£1.00	£1.00	£1.00	Sky Trail	£1.50	£1.50	£1.50	£1.50	£1.50	Tree Nets	£1.00	£1.00	£1.00	£1.00	£1.00	General park users	£0.30	£0.30	£0.30	£0.30	£0.30
		Year 1	Year 2	Year 3	Year 4	Year 5																																																																	
	Specific Park Users	199,893	197,241	184,586	175,656	175,656																																																																	
	General Park Users	120,000	120,000	120,000	120,000	120,000																																																																	
	Total	319,893	317,241	304,586	295,656	295,656																																																																	
	Indoor - Soft Play	£2.00	£2.00	£2.00	£2.00	£2.00																																																																	
	Indoor - Junior Tag	£3.00	£3.00	£3.00	£3.00	£3.00																																																																	
	Multipurpose Room	£0.50	£0.50	£0.50	£0.50	£0.50																																																																	
	Splash Pad	£1.00	£1.00	£1.00	£1.00	£1.00																																																																	
Sky Trail	£1.50	£1.50	£1.50	£1.50	£1.50																																																																		
Tree Nets	£1.00	£1.00	£1.00	£1.00	£1.00																																																																		
General park users	£0.30	£0.30	£0.30	£0.30	£0.30																																																																		
<p><b>Golf Club bar</b> – it is assumed that this is also managed by the main operator of the pavilion. The income projections will have to be determined further with the existing operator but are set out below.</p>																																																																							
<table border="1"> <thead> <tr> <th></th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> <th>Year 4</th> <th>Year 5</th> </tr> </thead> <tbody> <tr> <td>Golf – casual visits</td> <td>14,725</td> <td>14,725</td> <td>14,725</td> <td>14,725</td> <td>14,725</td> </tr> <tr> <td>Spend per head</td> <td>£3.00</td> <td>£3.00</td> <td>£3.00</td> <td>£3.00</td> <td>£3.00</td> </tr> <tr> <td></td> <td>£44,176</td> <td>£44,176</td> <td>£44,176</td> <td>£44,176</td> <td>£44,176</td> </tr> <tr> <td>Society events / meals</td> <td>£50,000</td> <td>£50,000</td> <td>£50,000</td> <td>£50,000</td> <td>£50,000</td> </tr> <tr> <td>Total income</td> <td>£94,176</td> <td>£94,176</td> <td>£94,176</td> <td>£94,176</td> <td>£94,176</td> </tr> </tbody> </table>						Year 1	Year 2	Year 3	Year 4	Year 5	Golf – casual visits	14,725	14,725	14,725	14,725	14,725	Spend per head	£3.00	£3.00	£3.00	£3.00	£3.00		£44,176	£44,176	£44,176	£44,176	£44,176	Society events / meals	£50,000	£50,000	£50,000	£50,000	£50,000	Total income	£94,176	£94,176	£94,176	£94,176	£94,176																															
	Year 1	Year 2	Year 3	Year 4	Year 5																																																																		
Golf – casual visits	14,725	14,725	14,725	14,725	14,725																																																																		
Spend per head	£3.00	£3.00	£3.00	£3.00	£3.00																																																																		
	£44,176	£44,176	£44,176	£44,176	£44,176																																																																		
Society events / meals	£50,000	£50,000	£50,000	£50,000	£50,000																																																																		
Total income	£94,176	£94,176	£94,176	£94,176	£94,176																																																																		

## Car Parks

To support visitors to the Playing Fields there are four car parks, which combined can accommodate in the region 500 vehicles. They are located in the following areas:

- Car Park A - Adjacent to the Brentwood Rugby Club House, accessed from Ingrave Road. Surfaced with capacity for 80-90 vehicles.
- Car Park B - Central car park adjacent to Café, accessed from Ingrave Road. Surfaced with capacity for 90-100 vehicles.
- Car Park C - Overflow central car park, adjacent to main car park, accessed from Ingrave Road. Unsurfaced with capacity for 300-350 vehicles.
- Car Park D - Hartswood Road car park accessed from Hartswood Road. Surfaced with capacity for around 90 vehicles.

There are three car parks available if accessing from Ingrave Road. The first car park offers all day parking for £5. The car park accessed from Hartswood Road also offers all day parking for £5. All the car parks in KGPF offer free parking for four hours, with no return within two hours.

There are no restrictions to the hours of free parking at weekends or bank holidays.

**Table 7: Car parking fees**

King Georges Playing Fields	Charging period	
	Monday to Friday – 9:00am to 6:00pm	
A (Rugby Club)	Up to 4hrs in A, B, C & D	Free
B (Golf Club)	Over 4hrs in A & D	£5.00
C (overflow)	Coaches – all day	£15.00
D (Hartswood Road)	4 hours free no return for 2 hours	

There are variations to this for sports events during the week. Lawn Bowls players are advised that parking is available free of charge in the unsurfaced overflow car park. Golfers are not charged any parking fees providing a round of golf is being played during the visit.

It is assumed that car parking charging will be introduced. There is no information on how many annual visits there are to the Park nor how many arrive my car. However, from the surveys completed the results showed:

- 56% of on-line and 50% of those attending Strawberry Fair travelled by car. 78% of those in the face to face survey travelled by car.

It is understood that some users (for example golfers and sports players may have discounted / free car parking).

Income projections have been based on 25% of all visits will pay for car parking, 60% for 1-2 hours and 40% for 2+ hours.

Car Parking Fees and Charges will be reviewed continuously and set by Policy, Resources and Economic Development Committee as part of budget setting for 2019-20. Currently the business model assumes car parking Fees will be charged as follows:

**Table 8: Indicative Car Parking Fees & Charges**

1 hour	£0.00
2 hours	£1.50
2 – 4 hours	£3.00
4 hours plus	£5.00

Using these indicative fees & charges, the proposed Income to the Council would be:

**Table 9 : Forecast Car Parking Income**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Car Parking visits (25% of all visits)	66,050	66,050	63,991	62,204	62,204
1-2 hours	59,445	59,445	57,592	55,984	55,984
2+	79,260	79,260	76,790	74,645	74,645
<b>Parking Gross Income</b>	<b>138,706</b>	<b>138,706</b>	<b>134,382</b>	<b>130,628</b>	<b>130,628</b>
<b>Parking Net Income</b>	<b>115,588</b>	<b>115,588</b>	<b>111,985</b>	<b>108,857</b>	<b>108,857</b>

**Expenditure Projections – Staffing Structures and Costs**

The staffing budget for the pavilion and outdoor activities is projected at £330k per annum. This is on the basis that the Council remain responsible for the ground's maintenance and park warden costs as currently. The detailed assumptions are set out overleaf.

**Table 2: Staff Full Time Equivalents**

<b>Designation</b>	<b>Total Salary including on-costs</b>	<b>FTE</b>	<b>Notes</b>
Pavilion Officer / Manager	40,960	1.0	Manage and cover all opening hours of the pavilion between the two roles. Based on the rugby club locking up in the winter when training during the week.
Pavilion Duty Officer	39,713	1.13	
Soft Play		0	Based on carers supervising children directly.
Receptionists	21,760	2.48	1 member of staff on shift at all times, with 2 members of staff at peak times. It is assumed that the golf pro will manage tee times and take golf income on behalf of the managing organisation.
F&B Assistants	21,760	4.06	2 members of staff on shift at all times, with 3 members of staff at peak times.  It is assumed that receptionists and catering staff will be able to work across both functions.
Golf Bar	21,726	1.62	Assume casual players likely to use downstairs café - therefore bar open for lunches and early evenings in the summer and for society matches and events
Party hosts	21,760	0.38	
Tag Active - term	21,760	1.28	2 members of staff on shift at all times.
Tag Active - holidays	21,760	1.04	
Sky trail	21,760	0.67	It is assumed the outdoor layout can support 1 member of staff taking tickets for both areas when the splash pad is open.
Sky trail / Nets	21,760	0.77	
Splash Pad	21,760	0.43	Additional supervision is provided for the sunny days within the splash pad area.
Cleaner	21,760	0.90	Five hours a day for the pavilion.

Staff on-costs for each post have been included at:

- National Insurance – 13.8%
- Pension Contribution – 5%
- Training – 3%
- Sickness & Holiday – 6%

## Other Costs

The assumptions in relation to the expenditure are detailed in the table 11 below.

**Table 3: Expenditure Assumptions**

<b>Activity Area</b>	<b>Expenditure Projections – Mature Year</b>
<b>Cost of Sales</b>	These have been included at 48% of secondary income for both food and beverage and retail.
<b>Utility Costs</b>	Utility costs have been calculated at £10 per m2 for the pavilion. Over the first 5 years we have included inflation on utilities of 3%.
<b>NNDR</b>	A nominal sum of £10k has been included for NNDR at present.
<b>Lifecycle</b>	Lifecycle costs have been excluded at this stage.
<b>Insurance</b>	Insurance costs have been included at £10k per annum. These costs are assumed to be over and above existing costs to the council for the larger income generating areas.
<b>Repairs &amp; Maintenance</b>	Ongoing repairs and maintenance costs have been included for the pavilion and maintenance of the outdoor activity areas.
<b>Equipment</b>	A budget for sundry and catering equipment has been included.
<b>Marketing</b>	A marketing budget has been included at 1.5% of income, an additional £10k has been included in year 1 for the launch of the new centre.
<b>Central Costs &amp; Contingency</b>	Within these projections, 8% of income has been included central support and set aside for working capital repayment. It is envisaged the council could aid in supplying services regarded to central costs.

## Sensitivity Analysis

The table below illustrates the impact of any changes in income or expenditure on the net operating surplus to the Wholly Owned Company.

**Table 12: Sensitivity Analysis**

AMENDMENT TO BASE PLAN	Averaged over 5 years			
	Variance	Income	Exp	Net
Base Plan		<b>1,301,483</b>	<b>1,233,539</b>	<b>67,944</b>
Increased Income (%)	10%	1,460,822	1,276,035	184,787
Reduced Income (%)	10%	1,147,989	1,202,390	(54,401)
Increased Expenditure (%)	10%	1,301,483	1,283,163	18,320
Reduced Expenditure (%)	10%	1,301,483	1,188,443	113,040
Increased Staff Costs (%)	10%	1,301,483	1,219,884	81,599
Reduced Staff Costs (%)	10%	1,301,483	1,157,001	144,482

Taking all into consideration the Summary of the WoC Business model is set out below

**Table 13: Net Operating Profit of Wholly Owned Company**

<b>SUMMARY</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>Average</b>
<b>INCOME</b>						
Indoor - Soft Play	220,969	220,969	203,870	191,361	191,361	205,706
Indoor - Junior Tag	325,715	325,715	277,898	259,440	259,440	289,642
Multipurpose Room	26,145	37,350	37,350	37,350	37,350	35,109
Splash Pad	86,781	86,781	83,962	81,144	81,144	83,962
Sky Trail / Tree Nets	294,575	280,548	264,143	247,737	247,737	266,948
Secondary - catering	443,364	440,049	416,135	400,516	400,516	420,116
<b>TOTAL INCOME</b>	<b>1,397,550</b>	<b>1,391,412</b>	<b>1,283,358</b>	<b>1,217,548</b>	<b>1,217,548</b>	<b>1,301,483</b>
<b>EXPENDITURE</b>						
Salaries	376,997	376,997	376,997	376,997	376,997	376,997
Utilities	18,560	19,117	19,690	20,281	20,889	19,708
NNDR	10,000	10,000	10,000	10,000	10,000	10,000
Insurance	10,000	10,000	10,000	10,000	10,000	10,000
Repairs & Maintenance	17,424	34,848	34,848	34,848	34,848	31,363
Cleaning	6,000	6,000	6,000	6,000	6,000	6,000
Equipment	5,000	10,000	10,000	10,000	10,000	9,000
Other Supplies	6,988	6,957	6,417	6,088	6,088	6,507
Advertising & Marketing	30,963	20,871	19,250	18,263	18,263	21,522
Communications	6,988	6,957	6,417	6,088	6,088	6,507
Other Administration	3,770	3,770	3,770	3,770	3,770	3,770
Costs of Sales	212,815	211,224	199,745	192,248	192,248	201,656
BBC Lease payment	364,412	364,412	364,412	364,412	364,412	364,412
Central Costs	62,890	62,614	57,751	54,790	54,790	58,567
Risk / Contingency	23,966	23,751	19,970	17,666	17,666	20,604
Loan Repayment	24,948	24,948	24,948	24,948	24,948	24,948
<b>TOTAL EXPENDITURE</b>	<b>1,181,721</b>	<b>1,192,466</b>	<b>1,170,215</b>	<b>1,156,399</b>	<b>1,157,007</b>	<b>1,171,562</b>
<b>OPERATOR SURPLUS / DEFICIT</b>	<b>215,829</b>	<b>198,946</b>	<b>113,143</b>	<b>61,149</b>	<b>60,541</b>	<b>129,922</b>
<b>OVERALL SURPLUS / DEFICIT</b>	<b>215,829</b>	<b>198,946</b>	<b>113,143</b>	<b>61,149</b>	<b>60,541</b>	<b>129,922</b>
<b>Working Capital Interest</b>	<b>47,269</b>	<b>47,011</b>	<b>47,011</b>	<b>47,011</b>	<b>47,011</b>	<b>47,063</b>
<b>Surplus After Interest</b>	<b>168,560</b>	<b>151,935</b>	<b>66,132</b>	<b>14,138</b>	<b>13,530</b>	<b>82,859</b>
Corporation Tax @ 18%	30,341	27,348	11,904	2,545	2,435	14,915
<b>Net Profit</b>	<b>138,219</b>	<b>124,587</b>	<b>54,228</b>	<b>11,593</b>	<b>11,094</b>	<b>67,944</b>