

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Culture and Recreation
Date:	25 April 2013
Title:	Earned Income Performance Across Key CCBS Services – Quarters 1-3 2012/13
Reference:	4852
Report From:	Director of Culture, Communities and Business Services

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1. Executive Summary

- 1.1. This report provides the Executive Member for Culture and Recreation with a summary overview of earned income performance across those sites and venues run and supported by CCBS Services. It includes comparative information on the previous financial year.
- 1.2. The report highlights the overall trading environment and some of the key trends and initiatives adopted together with their impacts over the same period.
- 1.3. In addition the report highlights a number of key areas for development over the coming year which will seek to build upon successful activities to sustain and develop income performance across the Department.

2. Background

- 2.1. Members of the Culture, Communities and Rural Affairs Select Committee established an earned income advisory panel in 2011 which has met on two occasions to review earned income performance across key areas of the Department and to discuss both trends and opportunities with the relevant officers.
- 2.2. At the last meeting of the panel it was agreed that an overview of performance should be reported to the main committee and the opportunity has been taken to update the information provided at that meeting to take account of actual performance over the first 3 quarters of the financial year.
- 2.3. Quarter 4 information will not be collated until May but the overall trend is predicted to be positive and consistent albeit a caveat needs to be placed upon the impact of Easter weather on some venues.

3. Overall Earned Income Performance

- 3.1. The income performance is set against the background of a very challenging economic climate and the wettest year on record, which obviously impacted on visit numbers, particularly at our outdoor sites. Appendix 1 shows the overall summary in earned income performance over the year.
- 3.2. In spite of that, most sites increased their earned income over the same period in 2011/12.
- 3.3. Money saving offers for regular site visitors - i.e. car parking season tickets, membership deals, Culture-all Passports – are, not surprisingly, proving very attractive where sites are actively promoting these offers. Other sites could benefit from promoting their membership and other deals in the same way.
- 3.4. Sites need to constantly look for ways of innovating/always improving their offer if they want to keep growing their businesses. It is noticeable that those sites who re-invented their offer in 2013 reaped the rewards financially: e.g. Staunton's new indoor play barn, Milestones' Magic promotion plus the continuation of Climb on Board and Legomania all of which have been very successful.
- 3.5. The "Wartime Farm effect" meant that Manor Farm's earned income in Q3 2012 was considerably higher than in the same period in 2011, although visit numbers were actually down in Q3. Admissions, Culture-all Passport sales and shop income all increased, showing that those who did visit in this period spent considerably more than visitors had in autumn 2011. Members had the opportunity to visit the Farm and see this in action on one of the members tours hosted by Cllr Chapman.
- 3.6. Staunton Country Park saw increased income from admissions, membership and Culture-all Passport sales – the result of a sustained campaign to get visitors to sign up to one of their membership deals wherever possible and also the attraction of their new "all weather" Play Barn which kept the visitors coming, in spite of the weather. These are initiatives which will be actively considered and developed at other sites and venues.
- 3.7. Other initiatives developed over the year have included the active development of the Hantsweb online shop with sales of Culture-all Passports more than doubling in December 2012 as compared with 2011. An online bookings system has also been developed and piloted in the Countryside Service and will now be rolled out more widely.

4. The Coming Financial Year

- 4.1. Over the next year there will be a strong focus upon building on both the successes and lessons of the current year. The target will be to maximise the impact of our marketing effort and to intensify our efforts to get the right offering to both our existing and potential customers.

- 4.2. Customer Insight and Intelligence - Efforts to maximise our use of customer data and intelligence to target marketing effort and to better understand our customer base and develop products and services accordingly.
- 4.3. Building on key success e.g. Legomania, Wartime Farm, Season Tickets.
- 4.4. Developing specific campaigns and 'Big Theme' activities on the back of external and partnership funding initiatives.
- 4.5. Actively developing social media and digital marketing initiatives.
- 4.6. Maintaining the quality and customer focus of services through appropriate national accreditation and service development.
- 4.7. Seeking inwards investment through grant applications and partnership initiatives that will help promote opportunities to develop earned income.

5. Conclusions

- 5.1. The lessons in difficult times are that businesses have to work harder to succeed and that they must respond to the trading climate, rather than letting things remain static. Innovation and creativity is the key to a successful response.
- 5.2. Sites who successfully grew their income in the first 3 quarters of 2012 were remarkably consistent in their "recipe for success" – their managers all credited their whole teams with working hard to find new business, to reduce cost base where appropriate and adapt services and products and responding positively to customer needs.
- 5.3. There have been some outstanding successes over the year linked to both innovation and opportunism. It is this trend to develop the right offer for visitors and employing and developing marketing tools to engage them with quality that will be at the heart of future success.

6. Recommendations

It is recommended that:

- 6.1. The efforts made to raise income performance across CCBS within a difficult trading environment both in terms of the financial and actual climate, are endorsed.
- 6.2. The proposed actions for the coming financial year are supported, implemented and monitored with appropriate reports back to elected members at key points over the 2013/14 financial year.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. The actions proposed in this report seek to maintain quality services in a challenging economic climate. The commitment to national accreditations, effective customer intelligence, and a combined drive for external investment will ensure that all residents and visitors to Hampshire will have both opportunity and choice in terms of access to these services.

2. Impact on Crime and Disorder:

- 2.1. Not applicable.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
Not applicable.
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?
Not applicable.