

CYNGOR SIR POWYS COUNTY COUNCIL

REPORT for Portfolio-holder decision April 2012

REPORT AUTHOR: Neil Mathews

SUBJECT: 2012/13 Leisure / Sport Centre Pricing Proposal

REPORT FOR: Decision

1. Summary

- 1.1 The portfolio-holder is requested to consider and approve the fees and charges for Recreation Services for the financial year 2012/13.
- 1.2 These charges are proposed as maximum charges and have been calculated through consultation with the departments Finance Team; a leisure officer working group; all Sport and Leisure Centre Managers and Senior Leisure Officers, the Sports Development unit and the Active Young Peoples Coordinator.
- 1.3 In addition to this a price comparison study was also undertaken with other Local Authorities in Wales (appendix 1) and with the 'All Wales Comparison' exercise (appendix 2) undertaken by Carmarthenshire County Council.

2. Proposal

- 2.1 In order to standardise the pricing within the Corporate Membership scheme there are some decreases and increases in price. Corporate Membership charges are calculated to offset excess demand whilst still offering very real value for money. They are also set to reduce the amount by which discounted membership activities have displaced full price activities.
- 2.2 The Powys Corporate Scheme has remained unchanged in order to generate additional income growth. This will be strengthened by a joint promotion initiative between Leisure Services, the Powys Communications Dept and the Corporate Health panel.
- 2.3 The overall target increase is 2-3%. However Centre Managers through their 2012-13 marketing plans will be looking at key areas of promotion. One of these areas will be 'Children's Birthday Parties'. This proposal seeks to offer a fixed price across all sites throughout the year. It is anticipated that this will generate additional usage and income by discounting this and other various activities throughout the year. This has been offered in previous years and has proved successful in raising income and usage by attracting new 'users' to the centres.
- 2.4 Having reviewed Powys prices with other local authorities it is proposed that a price freeze will be applied to all Starfish lessons. Also, following discussion with the Powys Sports Development and Active Young People Coordinator a significant reduction in racket ball sports (i.e. squash, badminton, table tennis) has been observed and a price freeze will be also be applied to these activities in order to generate greater usage.

- 2.5 In previous years Exercise Classes have been subject to price banding between larger and smaller sites. This proposal now eliminates that band with all sites charging a set fee across all sites. It is considered that an exercise class at a Band A centre is no different to that delivered in a Band B or C Centre.
- 2.6 Historically favourable rates have been extended to individual community groups who were users of the Rhayader community centre prior to it becoming Rhayader Leisure Centre, as a result of funding from the 'Village Hall Grant'. This grant has been reduced during the last 6 years from £5K to £1.5K and the Centre is no longer able to meet the remaining shortfall in subsidy. During the 2011 Consultative Committee meetings members have expressed concern that the removal of this grant and subsidy has resulted in a decline in community groups. Upon investigation the only group to have withdrawn as a result of loss of subsidy is the 'Darby & Joan' club. In 2012/13 community groups will be continued to be brought in line with Powys fees and charges
- 2.7 The Access to Fitness Scheme (ATF) offers free swimming and gym use to all persons who are on the following benefits:-
- Job Seekers Allowance (3 months free access)
 - Employment and Support Allowance (12 months free access)
 - Disability Living Allowance (12 months free access)
 - Or are registered disabled (12 months free access)
 - Former Armed Forces personnel discharged with injury or medical conditions.
- Having reviewed similar schemes in other local authorities it is apparent that Powys offers 100% free access whilst other authorities offer between a 50%-75% discount. In view of this it is proposed that Powys can no longer sustain this level of subsidy and in conjunction with the Equalities Legislation, proposes a detailed review of this scheme. A separate report with further proposals will be forwarded to the portfolio holder later in 2012. Access by former Armed Forces under this scheme will remain FOC.
- 2.8 Through collaborative work between Sports Development, Active Young People and Leisure (SPAL) it is proposed to introduce the 'Active for Life' pass. The purpose of this scheme is to complement the FANS (Free Access for National Sports People) scheme and following completion of an application form will provide access to leisure for those who represent their sport at regional / county level; it will also be available to those who have completed the 'Mind, Exercise, Nutrition, Do It!' (MEND) scheme and the 'National Exercise Referral Scheme' (NERS). This pass will be valid for 1 year only following which customers would have to reapply.
- 2.9 A full set of proposed fees and charges are attached for consideration (appendix 3 4&5).
- 2.10 With the introduction of Zipporah in 3 sites in 2011/2 and the further roll out of this in phase 2 in 2012/13 pricing bands will be standardised wherever possible reflecting introduction of the new Zipporah point of sale system incorporating income management and customer tracking, to be installed in all sports and leisure centres. Introduction affords increased opportunity and need to standardise fees and charges.
- 2.11 Staylittle Outdoor Centre

The proposal for this service is that most group prices will increase by less than 10% - and a smaller increase for the longer courses will be introduced. There is currently a price difference between the amount Powys clients and Out of County organisations are charged which provides an incentive for Powys schools.

A major change to operations is a 'RYAN AIR approach' – which will involve dropping residential course evening activities (except for their first night) and making it an optional purchased extra to cover costs.. This will create an overall reduction of evening staff work, lower overall weekly and subsequent claims.

An experimental Camping group residential course is proposed for this year. This will provide a low-cost option that will increase the capacity in the centre and allow overflow from Ty Gwyn closure. A limited trial with the guides worked well in 2011/12.

Day group numbers are very much up this year, and to establish a trend prices have been held. Prices on less popular products have not changed and staff are developing activities to stimulate interest.

Prices of summer and holiday activities have been reduced to stimulate interest.

3. Corporate Change Plan

This proposal will meet the following 'One Powys Outcomes':-

- People in Powys are healthy & independent
- People in Powys can easily access the services they need.
- People in Powys are supported to get out of poverty
- People in Powys benefit from a thriving and diverse economy

The revised pricing structure will enable the citizens of Powys to lead wherever possible independent, active and healthy lifestyles with consideration given for off peak and weekend participation. This it is intended, will extend participation over 7 days rather than 5 and contribute to enhance utilization of facilities and increase income. A thorough review has been undertaken of prices and key activities e.g. have dropped in price to increase participation and achieve the points mentioned above. The current ATF scheme will be reviewed later this year but it currently offers free gym and swim access to Powys residents who are in receipt of certain benefits.

4. Options Considered/Available

On reviewing the pricing structure it became apparent that there were significant anomalies at off peak and peak periods. This has now been standardised all sites.

The review also indicated that many activities had failed to achieve their expected participation and income levels. Such activities as table tennis, squash, badminton have been reduced in price to promote these sports and increase participation.

With the introduction of Zipporah, activities will be brought closer in band e.g. dryside exercise classes.

It is intended that the standardisation of peak / off peak will extend participation over 7 days rather than 5 and contribute to enhanced utilization of facilities and an increase income.

Part of the Active and Healthy Lifestyles role in the medium term financial plan is to contribute to an increase in income of £80k over four years. This pricing proposal will seek to achieve its contribution to this by the measures mentioned above.

Prices at Staylitte Outdoor Centre have been brought in line with similar providers across Wales and the United Kingdom.

5. Preferred Choice and Reasons

We have adopted this approach for the following key reasons:-

1. Historically a flat % figure has been applied across all prices in all centres. This we feel is no longer sustainable due to the current strict financial climate and lack of capital investment in leisure / sport facilities.
2. Upon review it appears that all facilities were not being utilised to their maximum capacity during the week throughout the year.
3. Certain major income generating activities have been held e.g. starfish swimming scheme. This is to encourage customer loyalty and support parents that have two or more children attending these lessons.
4. Wherever possible we are seeking to standardise and eventually eliminate the pricing bands in readiness for phase 2 of Zipporah and deliver customer equality across the County.

6. Sustainability and Environmental Issues/Equalities/Crime and Disorder/Welsh Language/Other Policies etc

The service delivers, where appropriate, through the medium of Welsh. The service also works collaboratively under the Local Resource Solution Panels (LRSP's) where they have assisted and supported those in need and at risk or have a criminal background by providing affordable leisure experiences. The review has considered the sustainability of the service detailed in the points above.

7. Children and Young People's Impact Statement - Safeguarding and Wellbeing

The Active and Healthy Lifestyle service has a range of policies and procedures that take full consideration of the safeguarding and well being of children and young people. The programmes, activities and prices are designed to maximise participation and encourage a physical activity culture whilst providing access that is safe and equitable.

8. Local Member(s)

Through the local sport / leisure consultative committees the local members will be informed of the price changes.

9. Other Front Line Services

This does not impact on other front line services.

10. Support Services (Finance, HR, ICT, BPU)

Finance Comments

The Principal Accountant for Communities, Skills and Learning comments that the prices have taken into consideration price comparisons from other Local Authorities in Wales. The proposed rates offer a more standard price of activity at each centre. The need to increase participation especially in activities that have seen reduced take up has led to some proposed price decreases. The proposals have been based to a large extent on the managers' knowledge and judgement and consideration of the current economic climate.

Legal

The recommendation raises no legal concerns

HR

This proposal raises no HR concerns.

ICT Comments

ICT support this proposal. The requirement for Zipporah to support this change has been specified and costed within the remit of that project

BPU

There is no perceived impact on the BPU of these proposals.

11. Local Service Board/Partnerships/Stakeholders etc

Active and Healthy Lifestyles will enable partners and organisations to receive services that contribute to the health and well being of Powys, this will also include the sport / leisure local consultative committees.

12. Communications

This pricing proposal will be communicated in Welsh and English through the following:-

sport / leisure centres web sites,
social networking,
individual leisure / sport centre sites

13. Statutory Officers

The views of the Strategic Director, Law and Governance (Monitoring Officer) are that:-

“ I agree with the recommendation”

Appendices

Appendix 1 LOCAL AUTHORITY PRICING COMPARISON 2011/12

Appendix 2 ALL WALES PRICING COMPARISON 2011/12

Appendix 3 PROPOSED 2012/13 PRICING

Appendix 4 RHAYADER COMMUNITY GROUPS 2012/13 PROPOSAL

Appendix 5 Staylittle Outdoor Centre

Recommendation:	Reason for Recommendation:
That the proposals as set out in Appendices 3 – 4 (inclusive) be accepted	The fees and charges proposals recognise need to generate income necessary to sustain service delivery, whilst also recognising equality of access.

Relevant Policy (ies):			
Within Policy:	Y / N	Within Budget:	Y / N

Relevant Local Member(s):	
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Person(s) To Implement Decision:	
Date By When Decision To Be Implemented:	

Contact Officer Name:	Tel:	Fax:	Email:

Background Papers used to prepare Report:

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