

Report to:	Cabinet Member for Third Sector Engagement and Leisure Services
Decision or Item number	PH19/2018
Relevant Officer:	John Blackledge, Director of Community and Environmental Services
Relevant Cabinet Member	Councillor Maria Kirkland, Cabinet Member for Third Sector Engagement and Leisure Services
Date of Decision:	19 February 2018

FEES AND CHARGES FOR LEISURE AND PARKS SERVICES 2018/19

1.0 Purpose of the report:

- 1.1 The proposed Community and Environmental Services fees and charges for Leisure and Parks Services for 2018/19.

2.0 Recommendation(s):

- 2.1 To agree the Community and Environmental Services proposed fees and charges for Leisure and Parks Services 2018/19, detailed in Appendix A.
- 2.2 To agree that the Leisure Management team continue to explore alternative, flexible pricing models through 2018/19 including options to price based on demand and ability to pay.
- 2.3 To agree that the Parks Service will review the pricing model for sports pitches to ensure a consistent town wide approach that supports local sports clubs.

3.0 Reasons for recommendation(s):

- 3.1 The fees and charges for 2018/19 need to be approved in order to take account of business development, inflation, the budget, the market and the cost of providing leisure and parks services while encouraging participation in healthy leisure and recreational activities.

- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

Analysis, assessment and benchmarking exercises against other providers has been carried out in order to arrive at the proposed fees and charges.

4.0 Council Priority:

4.1 The relevant Council Priority is:

“Communities: Creating stronger communities and increasing resilience”

5.0 Background Information

5.1 The Community and Environmental Services fees and charges relate to the following services within the department:

- Leisure Management
- Parks Service.

5.2 In relation to the review process of the fees and charges, the services operate within a framework underpinned by the following key principles:

- Maximise income, particularly to support cross subsidy
- Consideration of market forces
- Concessionary pricing for vulnerable groups
- Resident discounts applied to a range of activities
- Free or discounted use to targeted groups.

5.3 Leisure Services operate the Blackpool Leisure Card scheme that allows local residents easy access to sports facilities and provides reduced rates to ensure those residents in greatest need gain additional support through the standard concessionary charge (SCC) rates. In excess of 60,000 people are registered for a Leisure Card, with the following groups receiving concessions:

- Under 16 years of age
- Over 60 years of age

- Low / no income households
- Disabled persons
- Looked after Children
- Full time students/ Apprentices

- 5.4 A range of groups and clubs are supported by concessionary charges, with the Blackpool Polar Bears Disability Swimming Club given subsidised access to facilities. In addition the service continues to offer free swimming to all juniors during school holiday periods.
- 5.5 The most vulnerable young people who are in public care or have recently left public care are issued with a Passport to Leisure card, which allows free use of sports facilities for pay on the day activities and up to 50% reduction on coach-led instructional activities. This scheme was extended in 2015, to cover those in the leaving care team up to the age of 25, who are in education or training.
- 5.6 A benchmarking exercise has been carried out within the local market in relation to key leisure prices. Our prices have been considered against North West local authority areas; public facilities, private sector gyms and leisure trusts, to compare against average price and the price range to balance the aim of maximising income against increasing physical activity levels.
- 5.7 Leisure Services apply fees and charges to three distinct categories of customers; pay on day, memberships and via group block bookings. In addition, one off events for a range of sports are taken with fees calculated to reflect space required, staffing commitment and recover additional costs such as hire of equipment, setting up costs and post event clearing or reinstatement works.
- 5.8 The research undertaken via the benchmarking exercise indicates that our pay on day current pricing sits within a comparable range of prices charged by neighbouring local authorities and leisure trust operators.
- 5.9 The recommended prices set out in Appendix 'A' reflect the level of customer sensitivity in the current economic conditions balanced with the aim of increasing income to meet the budget targets. In cases where there is no price rise this reflects the consideration of the market position, impact on target audience and in some cases the opportunity to increase participation levels.
- 5.10 Pay on day prices allow customers to start exercising, or take part in activities without commitment and it is important not to discourage participation with high costs, therefore small price increases on each pay on day prices are recommended.
- 5.11 The average price increase across all of the leisure fees and charges is 2.37% with no single price increasing by more than 3.5%.

5.12 Leisure Services offer a range of membership options for individuals, couples and families who wish to use the leisure facilities on a regular basis. These memberships allow customers access to three fitness studios, two swimming pools and over 200 exercise classes per week.

5.13 In 2014 membership prices were reduced by an average of 8% to encourage retention and increase the number of people leading a healthy lifestyle.

5.14 With a range of competition across the health and fitness sector in Blackpool, it is recommended that the Health and Fitness direct debit prices are not increased.

5.15 The below bullet points outline some of the performance highlights for 2017:

- Overall visits to our leisure facilities has increased by 8% as of October 2017, compared to the same period in 2016.
- 58% of Leisure Card holders receive a concessionary rate when accessing the leisure facilities.

The Active Blackpool programme provides a pathway to support individuals to lead a healthier lifestyle through sport and physical activity. Based on the year to date figures, the Active Blackpool programme is expected to grow by a further 15% in 2017/18 compared to 2016/17.

- 87% of customers accessing the Sport Blackpool facilities were Blackpool residents in 2016/17.
- Junior Memberships have continued to grow over the previous 12 months with 349 members a 30% increase compared to December 2016.
- Health and Fitness memberships across the facilities remain stable, despite the increase in competition across the town in recent months.

5.16 The Parks Service has traditionally offered a number of fee generating services including; grounds maintenance (service level agreements) and arboriculture services. These are charged based on the client specification and site surveys to recover costs, including administration and associated invoicing.

5.17 Increasingly members of the public are requesting memorial benches and trees to be installed in the public parks; the service will try and accommodate all requests whilst requesting the impact on the local environment and balancing the view of all users.

Both benches and trees are charged based on supply price cost recovery, installation and administration costs.

- 5.18 There is also an increasing demand for events in parks, which require input from parks staff and services. These are commercial and non-commercial (charity) events in nature and can in many cases be quite human resource intensive.
- 5.19 Officers will calculate event fees based on the commercial/non-commercial nature of the event, taking account of size and requirements of the event, with minimum fee of £53 to cover administrative costs associated (c.4 hours) for small local groups through to several thousand for larger events attracting a fee paying audience and potentially offering other income generating activities e.g. catering.

5.20 Does the information submitted include any exempt information? No

5.21 **List of Appendices:**
Appendix 'A' Fees and Charges.

6.0 Legal considerations:

6.1 None.

7.0 Human Resources considerations:

7.1 None.

8.0 Equalities considerations:

8.1 Leisure Services operates a concessionary price scheme to ensure price is not a significant barrier to access.

9.0 Financial considerations:

- 9.1 The Fees and Charges process required consideration of the following:
- The department's performance in terms of income generation in 2016/17 against target;
 - The department's indicative 2016/17 revenue budget;
 - Benchmarking the proposed Fees and Charges within the market place.

10.0 Risk management considerations:

10.1 Increasing the current levels of patronage to meet Leisure Management's income

generation targets.

11.0 Ethical considerations:

11.1 None

12.0 Internal/ External Consultation undertaken:

12.1 A benchmarking exercise has been completed to compare with other local/regional providers.

13.0 Background papers:

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? No

14.2 If so, Forward Plan reference number:

14.3 If a key decision, is the decision required in less than five days? N/A

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC SERVICES

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A Date approved: N/A

17.0 Declarations of interest (if applicable):

17.1 None.

18.0 Executive decision:

18.1 The Cabinet Member agreed the recommendations as outlined above namely:

1. To agree the Community and Environmental Services proposed fees and charges for Leisure and Parks Services 2018/19, detailed in Appendix A.
2. To agree that the Leisure Management team continue to explore alternative, flexible pricing models through 2018/19 including options to price based on demand and ability to pay.
3. To agree that the Parks Service will review the pricing model for sports pitches to ensure a consistent town wide approach that supports local sports clubs.

18.2 Date of Decision:

19 February 2018

19.0 Reason(s) for decision:

The fees and charges for 2018/19 need to be approved in order to take account of business development, inflation, the budget, the market and the cost of providing leisure and parks services while encouraging participation in healthy leisure and recreational activities.

19.1 Date Decision published:

19 February 2018

20.0 Executive Members in attendance:

20.1

21.0 Call-in:

21.1

22.0 Notes:

22.1