

**CABINET MEMBER FOR COMMUNITIES, CAMPUSES, AREA BOARDS, LEISURE,
LIBRARIES AND FLOODING – COUNCILLOR JONATHON SEED**

LEISURE SERVICES

OFFICER CONTACT: Louise Cary 01722 434274 email: louise.cary@wiltshire.gov.uk

REFERENCE: HSB-07-14

HARMONISATION OF FEES AND CHARGES FOR LEISURE SERVICES 2014/15

Purpose of Report

1. To seek formal approval for the harmonisation of fees and charges across the in-house managed leisure centres, to be implemented on 1 April 2014.

Relevance to the Council's Business Plan

2. This proposal links to Outcome 5 of the Council's Business Plan: 'People in Wiltshire have healthy, active and high quality lives'. Sport and physical activity have an important role to play in improving the health and well-being of the community. The principles applied in the harmonisation process provide an equitable pricing structure across the centres managed by the Council and therefore the communities covered by these areas.

Main Considerations for the Council

3. There are current disparities across all the centres in terms of fees and charges for both activities and facilities. Not undertaking harmonisation of fees and charges could see this situation continuing and the gulf between prices actually increasing.
4. Membership prices have already been harmonised and the Council is aiming to encourage users to utilise whichever facility is more convenient for them, e.g. located near to work, and/or located near to home. With this cross usage of facilities, customers expect prices to be the same.
5. With price increases, Leisure Services will face a certain volume of customer complaints. However, some of the proposed harmonisation will actually result in a price reduction to the customer. A clear communications strategy will need to be developed to ensure that customers understand the principles applied.
6. Implementing harmonisation in April 2014 will set a level playing field in advance of the Campus programming progressing and will support the need for some clear principles to be applied in any future management arrangements.

Background

7. Wiltshire Council has been working towards the harmonisation of fees and charges across the Council managed facilities since 2009. So far two core elements of the pricing structure have been harmonised. These are as follows:
 - (i) Phase 1: Memberships
Fitness suite, direct debits and leisure card prices were harmonised in 2011/12 with implementation taking place on 1 April 2012. Springfield Leisure Centre came on line on 1 April 2013 following the transfer.

- (ii) Phase 2a: Block Bookings
Fees and charges for sports hall hire, block bookings and general hire were harmonised in 2012/13, with implementation taking place on 1 April 2013. The prices for sports hall and rooms have been aligned for all new customers and clubs, so that prices are exactly the same across each centre.
8. The final phase was originally intended to be a three year programme that would see the fees and charges gradually aligned across the centres by 1 April 2016. However, the Council is progressing with the Campus Transformation programme, which will see leisure facility provision at the heart of each Campus. This report proposes the harmonisation of the remaining leisure centre fees and charges on 1 April 2014. This will set a level playing field in advance of the Campus programme progressing and will support the need for clear principles to be applied in any future management arrangements.
9. In order to complete the harmonisation work, the same principles utilised in the first two phases of harmonisation were again used:
- (i) Facility Type
Activities priced on the principle that the facility is the same irrespective of the centre used, or where quality and standard varies
 - (ii) Pricing
Baseline charges using prior knowledge, experience and comparison against neighbouring provider's fees and charges pricing structures, resulting in some price increases as well as some price decreases.
 - (iii) Non-Member, Member and Concession prices
The member price should be the non-member price minus £1.50;
The concession price should be half the member price.
 - (iv) Adult, Senior (60+)/Junior (U16) prices
The Senior /Junior price will be the same;
The Senior/Junior price will be a percentage less than the Adult price.
 - (v) Removal of Peak and Off Peak prices
The peak or off peak pricing structure for activities/facilities will be removed across the board;
A single price will be introduced regardless of daytime/evening/weekend use;
Managers will have the flexibility to offer preferential rates at quiet times where work can be targeted, with agreement from the Head of Service.
 - (vi) Clubs / School Hire Prices
Fees and charges for school and clubs block bookings operate on an academic year. The new charges are advertised in April, but will not be implemented until September.
 - (vii) Memberships
The Fees and Charges structure should encourage more people to attend the leisure centres more frequently, encouraging more people to utilise the various membership schemes that are operating. Using the principles outlined above there are no further changes required to the current Memberships fees and charges pricing structure.

Safeguarding Considerations

10. There are no apparent safeguarding considerations.

Public Health Implications

11. The Council is committed to providing accessible sports and recreational facilities for the community and improving health and well-being. Any increase in fees and charges could lead to a decrease in usage, particularly by more disadvantaged individuals and hard to reach groups. This in turn, could have a health impact for these people. However, a number of prices across the centres are also decreasing and the Council also operates a concessions scheme, which will counteract an impact on usage.

Environmental Impact of the Proposal

12. There are no apparent environmental considerations.

Equalities Impact of the Proposal

13. The proposals also continue the phased approach of providing harmonised fees and charges for leisure activities and facilities irrespective of where a customer lives in the county.
14. An Equalities Impact Assessment has been undertaken for the harmonisation of fees and charges, which is attached in the **Appendices**.

Risk Assessment

15. From a customer perspective, the Council is likely to receive a number of complaints regarding the price increases, which for a period of time will impact on the operation of the centres. Customers may complain to the media, which could lead to adverse reporting in the media itself. Reduced usage of facilities could be the end result of a price increase and this could impact on usage figures as well as income. However, some fees and charges will reduce as a consequence and we need to communicate these changes.
16. There are reputational risks of harmonising the fees and charges. The Council is committed to providing accessible sports and recreational facilities for the community and improving health and well-being. A decrease in usage, particularly by more disadvantaged individuals and hard to reach groups, could have a health impact for these people.
17. Operationally, harmonisation will necessitate the re-programming of computer systems, production of new pricing leaflets and the development of a clear communications plan for both staff and customers.

Financial Implications

18. The financial implications of the harmonisation of fees and charges have been accounted for during the background work and it is projected that there will be no impact on the Council's overall income.

Legal Implications

19. There are no apparent legal considerations.

Options Considered

20. Three options have been considered:
- (i) Do nothing and continue operating the fees and charges as at present.
 - (ii) Harmonise all remaining fees and charges in April 2014.
 - (iii) Phase the harmonisation of fees and charges over the next three years to be completed by April 2016.

Reason for Proposal

21. Wiltshire Council has been working towards the harmonisation of fees and charges across the Council managed facilities since 2009. Memberships and sports hall hire and block bookings have already been harmonised. Whilst the remaining fees and charges were originally intended to be gradually aligned over a three year period, it is now proposed that harmonisation takes place in one year with effect from 1 April 2014. This enables the Council to set in place a consistent pricing structure in advance of the Campus Transformation programme.

Proposal

22. That the proposed harmonisation of fees and charges be implemented on 1 April 2014.
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The following unpublished documents have been relied on in the preparation of this Report:

None