

## **Leisure facilities pricing structure options**

### **SUMMARY**

- 1.1 A review has taken place of the fees and charges currently applied at all Council run sports centres and proposals developed for a revised pricing structure and charges.
- 1.2 In developing the proposals for the pricing structure and charges a number of principles underpinning the approach to be taken have been developed. These will apply to all Council run facilities.
  - Discounted prices for Derby residents on pay as you play activities will be offered through a revised leisure card scheme. Derby residents will be defined as residents paying Council Tax to the Council.
  - Concessionary prices will be based on the ability to pay therefore targeting the most financially disadvantaged customers and not solely on the age of the customer or the time of day they use the facility.
  - Consistent percentage discounts will be applied to all concessionary prices enabling clear communication to customers.
  - Discounted prices for Derby sports clubs will be offered alongside development support to encourage good practice in areas such as child protection, athlete development and increasing participation.
- 1.3 Benchmarking across neighbouring authorities for activities such as gym, badminton and swimming and with other cycling facilities across the country has taken place. This has then informed the development of the proposed pricing structure and charges.
- 1.4 It is proposed to introduce the new pricing structure and charges from 1 April 2014. This will coincide with the go-live date of an updated leisure booking system which will allow customers to purchase and renew fitness memberships on line.

### **RECOMMENDATION**

- 2.1 To approve the key principles underpinning the revised leisure pricing structure and price proposals.

- 2.2 To approve the proposed approach to the leisure pricing structure and charges.

### **REASONS FOR RECOMMENDATION**

- 3.1 The recommendations establish a consistent approach to the pricing structure and charges for all Council run sports centres and provide a discounted price for Derby residents. Derby residents will be defined as residents paying Council Tax to the Council.
- 3.2 The recommendations also establish a concessionary pricing structure which targets people on low income and the most financially disadvantaged people living in the city ensuring that the facilities are accessible and affordable to everyone.

### **SUPPORTING INFORMATION**

- 4.1 The proposed revised pricing structure and charges will apply to Council run sports centres from 1 April 2014. The detailed prices and discounts will be agreed with the approval of the Cabinet Member for Leisure and Culture and the Strategic Director for Neighbourhoods.
- 4.2 The current pay as you play pricing structure includes the following price bands
- Standard adult
  - Concessionary (junior under 16, over 60, disabled person, full time student, unemployed on contributory allowance)
  - Leisure card
  - Concessionary leisure card
  - Off peak standard adult
  - Off peak concessionary
  - Off peak leisure card
  - Off peak concessionary leisure card
  - Active Living over 50s
  - Recreation Passport to Leisure (in receipt of a range of means tested benefits)
- 4.3 The revised pay as you play pricing structure will include the following price bands.
- Standard adult price
  - Standard junior price (discount on standard adult price)
  - Adult leisure card price
  - Junior leisure card price
  - Concessionary leisure card price
  - Recreation Passport to Leisure (free use at specified times for people on a range of means tested benefit)

- 4.4 It is proposed to remove the off peak price band which offers a reduced price between the hours of 9am and 4pm, Monday to Friday and all day at weekends. Over the last three years the off peak price band has been gradually phased out and is only offered for a few activities. Traditionally off peak prices have been used to attract customers during quieter times at sports centres. However this means that customers receive a discounted price based only on the time of day they use the building and not based on their ability to pay. This therefore provides a discounted price to customers who it could be argued can afford to pay the full price. In the last two years reduced prices for concessionary groups have been extended to all opening hours, therefore removing the need for an off peak price band for these groups.
- 4.5 It is proposed to introduce a differential percentage discount for adult and junior leisure card holders on pay as you play prices for Derby residents and for non-Derby residents on the standard price. The leisure card would be renewable annually and there would be a small annual charge for the card. Additional discounts with cultural partners will be a feature that is explored further with a view to providing added value to leisure card holders.

Customers holding a leisure card will only need to produce their card at a sports centre reception to receive their discount. Without a card the customer would be required to provide proof of their Derby residence every time they visited the centre to gain the discount.

The annual renewal provides an opportunity for us to confirm that the customer is still a resident in Derby and therefore eligible for the discount.

The leisure cards will provide a useful database of customers for marketing purposes. These new leisure cards will replace the existing Passport to Leisure card.

- 4.6 It is proposed to introduce a concessionary leisure card giving even greater discounts on pay as you play prices for Derby residents. The eligible categories would be over 65s, disabled people, unemployed people on contributory allowance and full time students. The leisure card would be renewable annually and there would be a small annual charge for the card.
- 4.7 The indoor track cycling prices have been developed following benchmarking with the National Cycling Centre - Manchester, the Newport Velodrome, The Sir Chris Hoy Velodrome – Glasgow and the Lea Valley Olympic Velodrome. The proposed prices for individual track sessions are in line with these facilities, with discounts being provided for juniors, concessionary categories and leisure card holders.

Track bikes, helmets and shoes will be available for hire. Customers hiring a track bike will receive free helmet and shoe hire.

- 4.8 It is proposed to offer a discount to Derby sports clubs booking Council run sports facilities through the Sport Derby programme. By signing up to the Sport Derby programme clubs can receive a discount on the booking fee. The programme helps clubs develop in areas such as club infrastructure, child protection policies and junior sections. This ensures that sports clubs in the city are fit for purpose offering a safe and effective environment to deliver sporting activities.

#### **OTHER OPTIONS CONSIDERED**

- 5.1 A wide range of options for the pricing structure and charges were considered as part of the review. The pricing structure and charges proposals have been developed to provide value for money to Derby residents and an attractive offer to people living outside the city.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Claire Davenport, Director of Leisure and Culture
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Amanda Chambers 01332 641231 amanda.chambers@derby.gov.uk None Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 The proposals have been benchmarked against neighbouring local authorities and represent value for money for Derby residents.

**Legal**

- 2.1 None arising from this report

**Personnel**

- 3.1 None arising from this report

**Equalities Impact**

- 4.1 The proposals ensure that people on low incomes and the most financially disadvantaged in the city ensuring that the facilities are affordable to everyone.

**Health and Safety**

- 5.1 None arising from this report

**Environmental Sustainability**

- 6.1 None arising from this report

**Property and Asset Management**

- 7.1 None arising from this report

**Risk Management**

- 8.1 None arising from this report

**Corporate objectives and priorities for change**

- 9.1 The proposals link into the Council plan priorities of - all people in Derby will enjoy good health and wellbeing, an active cultural life and good quality services that meet local need.

