



Report sponsor: Director of Leisure, Culture and Tourism
Report author: Area Leisure Centre Manager

Leisure and Business Development and Parks and Active Living Pricing Schedule Proposals 2023 - 2024

Purpose

- 1.1 To provide an update on the 2023 – 2024 pricing proposals for Leisure Centres, Parks and Open Spaces, non-regulatory Events and relevant Partners.
- 1.2 To seek approval to implement the proposals.

Recommendation(s)

- 2.1 To approve the principles of the changes proposed to the leisure pricing structure and charges to be implemented from:
 - 1 January 2023 Leisure Operating Partner (Everyone Active) core prices
 - 3 January 2023 Leisure and Business Development and Parks and Active Living prices
 - 1 April 2023 Seasonal prices
- 2.2 To delegate authority to the Strategic Director for Communities and Place, in consultation with the Cabinet Member for Streetpride, Leisure and Public Spaces, to agree further changes to memberships, fees and charges if appropriate during 2023/24, to ensure the services maximise income generation opportunities and are able to be responsive to other implications for the business.

Reason(s)

- 3.1 To maximise the income potential for the Council, whilst still maintaining value for money for the residents of and visitors to Derby.

Supporting information

- 4.1 The Communities and Place Directorate annually reviews its fees and charges across a range of services. This is to ensure that the fees and charges where applicable reflect the cost of delivering services, taking into account comparator rates for these services in the sector, ensure that inflationary cost increases are taken into account and to enable budget income targets to be achieved.
- 4.2 Taking the above into account during the analysis of the pricing review, the approach has been to consider an inflationary increase of between 3% and 5% on the fees and charges for the activities listed in paragraph 4.3. Where appropriate, prices have been rounded to assist customers and staff and to aid marketing.

Significant variations are listed below at 4.4 and are also found in Appendix 1.

Typical reasons for variances may include that there is the case for the proposed charge to better reflect market conditions, the quality of the offer and/or to optimise access and usage, as well as the potential to increase gross income whilst maintaining good value for money.

4.3 The annual inflationary increase to fees and charges will be applied to the following activities across Leisure Centres, Parks and non-regulatory Events and Partner organisations;

- Pay as you play sports activities
- Memberships
- Sports Centre space hire and block bookings
- Coaching courses
- Track cycling
- Events
- Car Parking
- Markeaton Park
- Sports Pitch hire and booking

4.4 Examples of where there has been a significant variance from the 3% to 5% increase include the following activities where it is proposed not to increase the price:

- Pitch & Putt/Footgolf
- Private Track Hire
- Health and Fitness Membership, including Over 75's pay as you go
- Leisure Card Memberships
- Gymnastics Coaching
- Infield hire and racket sports
- SQT Cycling sessions

4.5 The proposed 2023/24 inflationary price increases are outlined in Appendix 1. The specific prices have been checked by the Finance team before being submitted for approval at the Cabinet Member Meeting.

4.6 **Health and Fitness**

4.6.1 Currently over 75's can access the gym and classes at Derby Arena and Springwood Leisure Centre Monday – Friday 9 am – 4 pm and all-day Saturday and Sunday at a reduced charge.

4.6.2 As part of our pricing review for 2023, it is proposed that the current fee for over 75's accessing the gym and classes is increased from £1.45 to £1.70, to bring it in line with current Movement (12 – 17 yrs) session price.

- 4.6.3 However, to support over 75's the Service has introduced a new over 75's membership package priced at £12.99 per month, which is a discount of 50% on the main membership price.

An over 75's member will receive:

- Access to the gym and classes within the times set out in 4.6.1.
- Access on a pay you go basis to gym or classes outside the times set out in 4.6.1 discounted by 20%.
- Free access to Derby Active at Home which has over 1,000 online classes that they can do at anytime and anywhere). This membership is normally £4.99.
- Discounted fees for a range of Leisure Centre 'pay as you go' activities.
- Advanced booking for certain activities.

4.7 **Leisure Card and Recreation Passport to Leisure**

- 4.7.1 The Leisure Card and Recreation Passport to Leisure (Derby Active card) provide customers with targeted discounts at Derby Arena and Springwood Leisure Centre.

As part of the management contract for Moorways Sports Village, including the Stadium, the Leisure Card and Recreation Passport to Leisure scheme discounts, condition of use and customers groups will apply.

- 4.7.2 When Moorways Sports Village opened, customers using Moorways Sports Village for swimming and Derby Arena for badminton, for example would require two Cards, a Derby Active card and an Everyone Active card to benefit from the discounted activity fee's, costing customers £24 per year for a standard Leisure card.

This is because different leisure management system are used by Derby City Council and Everyone Active, as such data could not be easily shared between the two organisations, even if cardholders gave their permission for their data to be shared.

- 4.7.3 From May 2022, when Moorways Sports Village opened, a promotional price was introduced for the Leisure Card and Recreation Passport to Leisure purchase. This price reduced all cards by 50%. This meant that if a customer required two Cards, they would only pay the cost of one; that is the cost of two standard Leisure Cards would be £12, not £24.

- 4.7.4 As part of the 2023 price review, the proposal is to make the change in price permanent, which will continue to support customers at this difficult time and encourage them to continue to access the Leisure Card and Recreation Passport to Leisure scheme to receive discounted prices on certain activities.

- 4.7.5 During the current year, Derby Active and Everyone Active colleges will work together to undertake a review of the Leisure Card and Recreation Passport to Leisure scheme. New proposals for the Scheme will be brought forward later in the year.

4.8 **Coaching**

4.8.1 Gymnastics

- 4.8.1.1 Gymnastics coaching currently operating on 48 weeks a year, with a two week break over the summer holiday period and a two week break at Christmas.

From January 2023, Gymnastics coaching is moving to a 50 week per year programme. There will continue to be a Christmas break in the programme, with the summer break being removed. As such the monthly direct debit price increases above 5% due to the additional number of weeks in the programme.

4.8.2 Track Cycling

- 4.8.2.1 Due to research showing a significant drop off in participation after Stage 2 rider accreditation stage it is proposed to amend the pricing structure so that bike hire is included in the session price.

It may initially seem the cost of these sessions have increased significantly however the cost is actually lower than if a customer needed to add bike hire in to the bookable session which is common practice to do so at these stages.

4.9 **Partnership Prices**

- 4.9.1 In January 2022, the Council appointed Everyone Active (EA) as its' Leisure Operating Partner for Moorways Sports Village, including Moorways Stadium.

- 4.9.2 As part of the management contract the Council set, four core prices for certain activities, which it will review annually with the Operator. The core prices are for:
- Learn to Swim – 30-minute lesson.
 - Full Health and Fitness membership.
 - Pay as you go standard swimming.
 - Pay as you go standard water park.

- 4.9.3 As part of this pricing review, EA has made a proposal to increase the price of Learn to Swim and Health and Adult and Concessionary Fitness membership, as detailed in Appendix 1. The reason for this is to help them mitigate some of the risk and impact of the recent energy price increases.

- 4.9.4 Everyone Active have undertaken a competitor benchmarking exercise of providers within a 15-minute drive time of Moorways Sports Village to support their price proposals.

- 4.9.5 The Operator is free to set these prices for all other activities, services and memberships set out in the contract, other than key core prices, providing that a concessionary scheme is offered at the Facilities and for the Active Communities Programme. Charges for facilities, activities and services not set out in the contract are at the Operator's discretion provided they do not in any way inhibit the achievement of the Local Authority's Strategic Priorities for the service.

Everyone Active have indicated that they will be undertaking a review of all their current prices, included in the contract, and the remaining two core prices, in conjunction with Council, for implementation next year.

Public/stakeholder engagement

- 5.1 Existing holders of any relevant memberships will be given up to four weeks' notice of price changes in line with standard terms and conditions of membership.
- 5.2 Information on price changes will be displayed within facilities up to four weeks prior to the changes being implemented.

Other options

- 6.1 There are options to reduce or increase the inflationary increase, however 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.

Financial and value for money issues

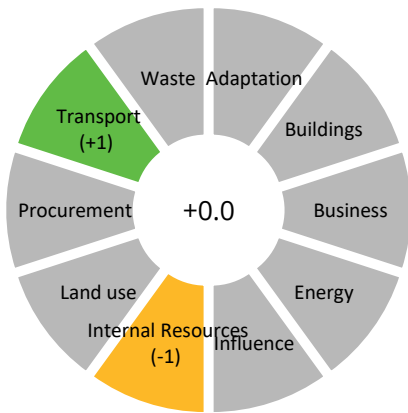
- 7.1 The pricing schedule is informed by benchmarking exercises with other local authorities as well as with other local, regional and national service and facility providers and represents value for money for Derby residents.
- 7.3 The proposals ensure that the facilities are affordable including those on low incomes and the most financially disadvantaged in the city.

Legal implications

- 8.1 An Equality Impact Assessment has been completed and attached at Appendix 2 of this report.

Climate implications

- 9.1 A climate impact assessment has been completed, as shown below.



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- 9.2 The Internal Resources segment shows a negative impact from a climate impact perspective. This is due to the need to print and post price change letters to gymnastics members, due to invalid email addresses. An email housekeeping exercise is currently underway to reduce this as far as possible.

Customer price change posters are printed and displayed in site. Again, to reduce this as far as possible, price information will be displayed on our website and Derby Active App.

- 9.3 The transport segment shows a positive impact from a climate impact perspective. This is due to the work to change the prices is undertaken by colleagues during their normal working hours. The work will take approximately two colleagues one day to carry out the work, with the work being able to be undertake in their normal place of work or at home.

Socio-Economic implications

- 10.1 The Leisure and Business Development and Parks and Active Living services are aware of the importance that regular exercise can have on an individual's physical and mental health wellbeing and as such it looks to use its pricing policy to reduce inequality in access to sport, physical and health activities caused by socio-economic disadvantages.

- 10.2 Residents and non-residents are able to obtain discounted prices on a range of pay as you go activities through the Leisure card and Recreation Leisure card schemes. The discounts are detailed in Appendix 1.

- 10.2.1 The Leisure card scheme provides discounted activities to the following groups:
- Resident – adults and juniors receive a 20% discount on the standard Leisure Centre Pay as you go prices
 - Non-resident – adults and juniors receive a 10% discount on the standard Leisure Centre Pay as you go prices
 - Family – families living in Derby can receive a 20% discount on the standard Leisure Centre Pay as you go prices, with families living outside the city receiving a 10% discount.
 - Concessionary – Residents who live within the city in the following categories receive a 40% discount on the standard Leisure Centre Pay as you go prices. Residents aged over 65 years, disabled residents, unemployed and full-time students.

- 10.2.2 The Recreation Leisure card provides discounted activities, at a substantially discounted price for adults and juniors, for certain activities as detailed in Appendix 1. This includes racket sports. Card holders also receive the concessionary prices on all other pay as you go activities.

Residents who live within the city in the following categories can purchase a Recreation Leisure card:

- Residents over 18 and in receipt of universal credit. There are some exclusions which apply.
- An unemployed school leaver between 16 and 18 years old.
- Disabled residents claiming Disability Living Allowance, Incapacity Benefit or Carer's Allowance.

- Volunteers through the European volunteer services.
- Unemployed asylum seekers.
- Derby City Council foster carers, their children and foster children.
- Residents receiving Guaranteed Pensions Credit.

10.2.3 Further information on the Leisure card and Recreation Leisure card schemes can be found at [Leisure Card terms and conditions](#).

10.3 The Derby Active health and fitness membership scheme, offers a range of price points dependant up on an individual's circumstance, these include fulltime students, those customers falling within our concessionary categories. We have also introduced an over 75's membership.

Members also received discounted hire rates for a range of other activities.

10.4 Leisure Centre and Parks prices includes reduced prices for juniors and also those customers falling within our concessionary categories.

Other significant implications

11.1 None arising from this report

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Olu Idowu, Head of Legal Services	04.11.22
Finance	Janice Hadfield, Head of Finance	07.11.22
Service Director(s)		
Report sponsor	Claire Davenport, Director of Leisure, Culture and Tourism	25.11.22
Other(s)	Duncan Cowie, Head of Parks and Active Living	21.10.22
	Wayne Sills, Area Leisure Centre Manager	19.10.22
	Jayne Ludden, Derby Arena General Manager	24.10.22
	Stuart Bailey, Springwood Leisure Centre Manager	25.10.22
	Graham Bentley, Sales and Retention Manager	21.10.22
	Simon Morgan, Contract Manager – Everyone Active	21.10.22

Background papers:	Appendix 2 Equality Impact Assessment
List of appendices:	Appendix 1 Leisure, Culture and Tourism Department – Leisure and Business Development and Parks and Active Living Pricing Schedule 2022-23