



Derby City Council

**LEISURE, CULTURE AND TOURISM
CABINET MEMBER MEETING
27 November 2018**

ITEM 4

Report of the Strategic Director of Communities
and Place

Leisure and Culture Pricing Schedule Proposals 2019/20

SUMMARY

- 1.1 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 that budget income targets are achieved.
- 1.2 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 1.3. Where appropriate, prices have been rounded to assist customers and staff and to aid marketing. Significant variations are listed below at 1.4 and are also highlighted in Appendix 2 the pricing schedules. 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.
- 1.3 The annual inflationary increase to fees and charges will be applied to the following activities across Leisure Centres, Libraries, Parks and non-regulatory Events;
 - Pay as you play sports activities
 - Learn to Swim and Education swimming
 - Sports Centre space hire and block bookings
 - Coaching courses
 - Leisure cards
 - Track cycling
 - Events
 - Car Parking
 - Mundy Play Centre
 - Sports Pitch hire and bookings
 - Library Charges
- 1.4 Examples of where there has been a significant variance from the 3 to 5% increase

include:

- Track cycling prices for Structured Quality Training sessions have been frozen following benchmarking with other velodromes.
- Group exercise classes, including aqua classes, have been increased by 8% in response to competitor prices in the local market following completion of sector benchmarking. The standard leisure card price has risen from £4.65 to £5.
- Health and Fitness membership prices will initially be frozen at 2018/19 prices with the potential to increase at some point during the year, reacting to changes in the fast moving, dynamic local market. The induction price for pay as you go gym users will be reduced to £10 to encourage participation.
- Learn to swim Direct Debit prices frozen following the completion of benchmarking with other providers.
- In order to be consistent yet still provide value for money, charges for coach and instructor-led activities such as learn to swim, gymnastics and trampolining have been reviewed and revised in line with other providers and market standards. This has led to pricing being through either a monthly Direct Debit or a standard weekly charge (paid in 12 week blocks) and the removal of concessionary tariffs (concessionary pricing to be honoured for existing customers receiving a concessionary rate).
- The pricing structure for the hire of our halls and pools has been standardised.
- Event hire rates at Derby Arena have been held at 2018/19 prices to retain competitiveness in the market.
- Artificial Turf Pitch prices at the Racecourse have been frozen based on benchmarking.
- Golf Green Fees have increased in response to competitor prices.
- Car parking charges have been increased by 7 to 10% at Markeaton Park. This represents a 10 pence increase for up to 1 hour parking, 20 pence for up to 4 hours and 30 pence for over 4 hours.
- Markeaton Park community room hire charges and space hire charges in all parks have been frozen to remain competitive.
- The price for the use of utilities has been capped across parks and open spaces.
- Prices for activities at the Mundy Play Centre have increased to reflect the investment committed to replace and improve the mini-golf offer from spring 2019.

RECOMMENDATION

- 2.1 To approve the principles of the changes proposed to the leisure pricing structure and charges to be implemented from 2 January 2019 and for seasonal activities from 1 April 2019.

- 2.2 To note that the specific price increases have been checked by the Finance team before being submitted for approval at the Cabinet Member Meeting.
- 2.3 To approve delegating responsibility to the Strategic Director for Communities and Place following consultation with the Cabinet Member for Leisure, Culture and Tourism to agree further changes to fees and charges during 2019, to ensure Leisure Culture and Tourism maximise income generation opportunities.

REASONS FOR RECOMMENDATION

- 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 proposed 2019/20 inflationary price increases are outlined in Appendix 2. The specific prices have been checked by the Finance team before being submitted for approval at the Cabinet Member Meeting.
- 4.2 Explanations for the variations from the 3 to 5% inflationary increase are outlined in the Appendix 2.

OTHER OPTIONS CONSIDERED

- 5.1 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.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Emily Feenan, Principal Lawyer Dawn Richardson, Principal Accountant Claire Davenport, Director of Leisure, Culture and Tourism Ben Clawson-Chan, Head of Leisure and Business Development Duncan Cowie, Head of Parks and Active Living Peter Ireson, Head of Culture, Events and Tourism Ed Green, Marketing and Business Development Manager Mark Elliott, Assistant Head of Libraries
For more information contact: Background papers: List of appendices:	Adam Spencer 01332 255446 adam.spencer@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Leisure Pricing 2019/20 schedules

IMPLICATIONS

Financial and Value for Money

- 1.1 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.

Legal

- 2.1 Existing holders of any relevant memberships will be given 4 weeks' notice of price changes in line with standard terms and conditions of membership. Depending on the nature of the information known and held in relation to patronage of facilities by persons from any known equality strands, consideration of the need to undertake an equality impact assessment is advised.

Personnel

- 3.1 None arising from this report.

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- 4.1 None arising from this report.

Equalities Impact

- 5.1 The proposals ensure that the facilities are affordable to everyone including those on low incomes and the most financially disadvantaged in the city.

Health and Safety

- 6.1 None arising from this report.

Environmental Sustainability

- 7.1 None arising from this report.

Property and Asset Management

- 8.1 None arising from this report.

Risk Management and Safeguarding

- 9.1 None arising from this report.

Corporate objectives and priorities for change

- 10.1 The proposals link into the Council Plan Priorities of promoting health and wellbeing, making the most of our assets and being more commercial.