

Title of Report:	Leisure Centres' Fees and Charges 2015
Report to be considered by:	Council
Date of Meeting:	11 December 2014
Forward Plan Ref:	C2888

Purpose of Report: To implement the contractual requirement for an annual price review for 2015 for Legacy Leisure to come into effect from 1st January 2015.

Recommended Action: That Council approve the proposed increase in Fees and Charges, as outlined in Appendix B, for the Leisure Management Contract.

Reason for decision to be taken: It is a contractual requirement that West Berkshire Council and Legacy Leisure review core charges and for West Berkshire Council to agree for Legacy Leisure to implement any increase from 1st January each year.

Other options considered: N/A

Key background documentation: None

<p>The proposals contained in this report will help to achieve the following Council Strategy priority:</p> <p><input checked="" type="checkbox"/> CSP2 – Promoting a vibrant district</p> <p>The proposals will also help achieve the following Council Strategy principle:</p> <p><input checked="" type="checkbox"/> CSP5 - Putting people first</p> <p>The proposals contained in this report will help to achieve the above Council Strategy priority and principle by:</p> <p>Ensuring that Leisure Centre users are provided with clear information about the costs of participating in physical activity at council leisure centres for the next 12 months.</p>

Portfolio Member Details	
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Name & Telephone No.:	Councillor Hilary Cole - Tel (01635) 248542
E-mail Address:	hcole@westberks.gov.uk
Date Portfolio Member agreed report:	11 th November 2014

Contact Officer Details	
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Name:	Jim Sweeting
Job Title:	Sport and Leisure Manager
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Implications

Policy:	The Leisure Contract was changed in 2010/11 to accommodate a review of Fees and Charges prior to January of the following and subsequent years. This now forms a condition of the contract between West Berkshire Council and Legacy Leisure.
Financial:	There are no direct implications to the Council's own budgets in Legacy Leisure implementing any increase in Fees and Charges. Within the terms of the Leisure Contract, Legacy Leisure retain all income. A profit share arrangement is specified within the contract should end of year surpluses be above a certain threshold.
Personnel:	None
Legal/Procurement:	Agreement to any increase in Leisure Contract Fees and Charges will be formally recorded through an exchange of letters and will be included in the Council's published schedule of Fees and Charges for 2015/16.
Property:	None
Risk Management:	None
Corporate Board's Recommendation:	To accept the proposed increases in Fees and Charges

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia			<input type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 Following approval by West Berkshire Council's Executive for an extension to the Leisure Centre contract with the sub contracting by Parkwood Leisure to the charitable arm Legacy Leisure - the transfer was enacted on November 1st 2014.
- 1.2 It is a contractual requirement for Legacy Leisure to introduce any increase in Fees and Charges on 1st January of each year. The proposed Fees and Charges within this report reflect an average increase of 1.5% across the contract as a whole. This will take into account local variations based on market trends, local circumstances and nearest competition such as charges for facilities in adjoining areas.

2. Proposals

- 2.1 Legacy Leisure are looking at flexible competitive charges across the contract which particularly factor in the competition and market rates for West Berkshire centres in the east of the district within an easy travel time for Reading facilities.
- 2.2 The indicative proposed average charges for 'core' activity for the leisure centres would be as set out in Appendix B.
- 2.3 The proposed increase in the level of charging has been presented to the recent round of Joint Advisory Committees and no objections have been raised.

3. Equalities Impact Assessment Outcomes

- 3.1 A Stage 1 EIA has been undertaken (Appendix A). Concessionary pricing will still apply to ensure prices and core activities remain accessible. Programmes are also commissioned through Public Health. On this basis the item has been assessed as not relevant to equality.

4. Recommendations

- 4.1 That Corporate Board approves the content of this report for Legacy Leisure to set Fees and Charges for 2015 on 1st January in line with the requirements of the Leisure Contract.

Executive Report

1. Introduction

- 1.1 West Berkshire Council's leisure centres are managed by Parkwood Leisure. For 2011 the Council agreed to a variation in the contractual arrangements to allow for the review of charges to be brought forward to 1st January each year. The review of core fees and charges for implementation on 1st January 2015 falls into the agreed cycle.
- 1.2 The Council agrees the maximum level for any increase in Fees and Charges that can be charged for core activities for the leisure contract. The actual level of charge is set in accordance with Parkwood's own marketing policies, taking account of the Council's objectives for the West Berkshire Card. This approach is designed to ensure access to core services at charges that can be afforded by all whilst allowing for Parkwood to achieve a full cost recovery for value added activity such as teaching, coaching, and instructional programmes and other commercial activity within the Council's leisure centres.
- 1.3 For 2014 West Berkshire Council agreed an average increase for Parkwood of 3%.
- 1.4 West Berkshire Council's Executive approved a five year extension to the Leisure Contract on the basis of Parkwood Leisure sub contracting to their charitable arm Legacy Leisure - this transfer was enacted on November 1st 2014.

2. Proposals

- 2.1 For 2015, Legacy Leisure are looking at flexible competitive charges across the contract which particularly factor in the competition and market rates for West Berkshire centres in the east of the district within an easy travel time for Reading facilities. To accommodate this, Legacy Leisure are looking at flexible charges to respond to local markets with an average rise across the contract of 1.5%, against the CPI rate of 1.5% for June 2014 - the end of the previous contract year.
- 2.2 The indicative proposed average 'Core' activity charges for the leisure centres would be as set out in Appendix B.
- 2.3 The proposed increase in the level of charging has been presented to the recent round of Joint Advisory Committees and no objections have been raised.
- 2.4 Any increase in Legacy Leisure's prices will have no impact on the Council's budget. The terms of the contract allow the contractor to retain all income up to an agreed threshold. If the total income exceeds this threshold then a sliding scale of income share arrangements start to apply. In practical terms the threshold is unlikely to be reached unless windfall conditions apply. For example, the complete closure of a significant competitor in the same catchment area. Increases in fees and charges for leisure centres will therefore have no projected impact on the income generated by West Berkshire Council.

3. Equalities Impact Assessment Outcomes

- 3.1 A Stage 1 EIA has been undertaken (Appendix A). Concessionary pricing will still apply to ensure prices and core activities remain accessible. It is on this basis that the item has been assessed as not relevant to equality.

4. Recommendations

- 4.1 That Corporate Board approves the content of this report.

5. Conclusion

- 5.1 A rise in Fees and Charges by Legacy Leisure for 2015 will have no impact on council budgets and are in line with contractual requirements.

Appendices

Appendix A - Equality Impact Assessment – Stage One

Appendix B - Core Charges for Leisure Centre Users

Consultees

Local Stakeholders: Members of the Joint Advisory Committees for Willink, Lambourn, Kennet and Hungerford - i.e Governing Bodies of Schools, Town and Parish Councils. Plus Leisure Centre customers. Parkwood Leisure.

Officers Consulted: Head of Culture & Environmental Services Steve Broughton; Leisure Officer Jeanette Hodge
Corporate Board

Trade Union: N/A

APPENDIX A

Equality Impact Assessment

Name of item being assessed:	Leisure Centre Fees and Charges 2015
Version and release date of item (if applicable):	Version 1 - 21/10/2014
Owner of item being assessed:	Jim Sweeting
Name of assessor:	Jim Sweeting
Date of assessment:	21/10/2014

What are the main aims of the item?
 (What does the item try to achieve?)
 Legacy Leisure will be implementing an annual price review for 2015 to come into effect from 1st January 2015 - the report considers the maximum prices applicable to Core activity as identified in the Contract.

What are the results of your research?
 Note which groups may be affected by the item, consider how they may be affected and what sources of information have been used to determine this.
 (Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)

Group Affected	What might be the effect?	Information to support this.
Age	The price rises for the leisure contract will be subject to consultation with Stakeholders. A concessionary price scheme is in place for those aged over 60 and under 16.	JAC Minutes; Leisure Contract; Parkwood Pricing Policy.
Disability	The price rises for the leisure contract will be subject to consultation with Stakeholders. A concessionary price scheme is in place for disabled people and their carers. The carer is allowed free admission when attending with the disabled person.	JAC Minutes; Leisure Contract; Parkwood Pricing Policy

Further Comments relating to the item:
 The price rises will not discriminate against any of the other groups identified. Those from any strand who are on low incomes are entitled to access the concessionary scheme that is in place. Bespoke programmes have also been commissioned e.g. Young Carers, Youth Offending Team and Activity for Health. Further payment incentives, offers and concessions are introduced by Legacy Leisure to address market opportunities.

What actions will be taken to address any negative effects?			
Action	Owner	By When?	Outcome
Promotion of concessionary programme	Jim Sweeting/Legacy Leisure	In place	Additional discounted admission during off peak times to ensure access is available for all.

What was the final outcome and why was this agreed?

(Was the item adjusted, rewritten or unchanged? Refer to page 15 of Meeting the Equality Duty in Policy and Decision Making for more information.)

It was identified that the ability to pay could be a barrier to participation at leisure centres therefore a concessionary scheme was introduced with the introduction of the West Berkshire Card in 2009 which offered further discounted admission during off peak periods for those on low incomes; the disabled and their carers; and those aged over 60. Junior prices already offered discounted admission.

What arrangements have you put in place to monitor the impact of this decision?

Monthly data is received from Legacy Leisure from which we can draw out concessionary attendances. Also a user survey is carried out every other year to obtain feedback from the customers.

What date is the Equality Impact Assessment due for Review?

October 2015

Signed: Jim Sweeting

Date: 21/10/2014

Appendices:

(list all documents that have supported this EqIA)

Minutes from Kennet JAC; Hungerford JAC; Lambourn JAC and Willink JAC (October 2014)

Executive Report and Minutes on the Introduction of the West Berkshire Card dated 29th January 2009.

APPENDIX B

Core Charges for Leisure Centre Users

	2014		2015		
	WB Card price	Non WB Card price	WB Card price	Non WB Card price	
West Berkshire Card Resident	Free		Free		
West Berkshire Card - non resident	£20.00		£20.00		
Swimming					
Adult	£3.50	£3.90	£3.55	£4.00	
Junior	£2.20	£2.40	£2.25	£2.50	
Early Morning Swim					
Adult	£2.70	£2.95	£2.75	£3.00	
Junior	£1.55	£1.70	£1.60	£1.75	
Gym					
Casual User	£7.00	£7.70	£7.10	£7.80	
Casual User Induction	£15.00	£20.00	£15.00	£20.00	
Classes	£5.40	£6.10	£5.50	£6.20	
Activity for Health – GP Referral	£3.00	£3.25	£3.05	£3.30	
Hall Hire/Sports					
Full Sports Hall (4 courts) - adult	£41.00	£46.00	£41.50	£46.00	
Full Sports Hall (4 courts) - junior	£21.50	£24.50	£21.80	£24.50	
Badminton Court - adult	£8.40	£9.55	£8.60	£9.70	
Badminton - junior	£5.30	£5.90	£5.40	£6.00	
Squash Court - adult	£10.00	£11.00	£10.20	£11.10	
Squash Court - junior	£3.60	£3.90	£3.70	£4.00	
Monthly Direct Debit	£36.00	£39.00	£36.00	£39.00	
Concession					
Gym	£3.30		£3.35		During concessionary periods
Swimming/Badminton/Squash/Table Tennis	£1.75		£1.80		During concessionary periods