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# Leisure Centre Fees and Charges 2016 - Summary Report

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<b>Committee considering report:</b>	Council
<b>Date of Committee:</b>	10 December 2015
<b>Portfolio Member:</b>	Councillor Hilary Cole
<b>Date Portfolio Member agreed report:</b>	14 October 2015
<b>Report Author:</b>	Jim Sweeting
<b>Forward Plan Ref:</b>	C2933

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## 1. Purpose of the Report

- 1.1 To implement the contractual requirement for an annual price review for 2016 for the leisure contractor to come into effect from 1<sup>st</sup> January 2016.

## 2. Recommendation

- 2.1 That Council approve the proposed increase in Fees and Charges as outlined for the leisure management contract.
- 2.2 That Council note the proposed changes to the discounts applied to West Berkshire card holder
- 2.3 That Council note the operational changes by the operator to reduce the level of fees charged to those aged 16 and 17 years of age through the introduction of bespoke programmes.

## 3. Implications

- 3.1 **Financial:** There are no direct implications to the Council's own budgets from the contractor implementing any increase in Fees and Charges. Within the terms of the Leisure Contract, The contractor retains all income. A profit share arrangement is specified within the contract should end of year surpluses be above a certain threshold
- 3.2 **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
- 3.3 **Personnel:** None
- 3.4 **Legal:** 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 2016/17.

- 3.5 **Risk Management:** None
- 3.6 **Property:** None
- 3.7 **Other:** None

#### 4. Other options considered

- 4.1 The Fees and Charges for the Leisure Centres are set by the leisure contractor, the proposals outlined are those which have been presented by Legacy Leisure as part of their Business Plan for the West Berkshire contract for 2016

#### 5. Executive Summary

- 5.1 In establishing their proposed fees and charges for core activity at leisure centres for 2016 the contractor has outlined the standard (non card holder) prices as outlined in Appendix C. Once discounts as set out in 5.2 are applied it results in an average increase of 1% in the charges applied to West Berkshire Card holders in line with the Retail Price Index at the end of the Contract year (June 2015).
- 5.2 To make it simpler for customers to understand the benefits of being a West Berkshire Card holder the contractor has proposed to change the discount applied to West Berkshire Card holders from a basic 10% to flat rates applied as follows:
  - (a) £1.00 for adult activity
  - (b) £0.50p for junior activity
  - (c) £5.00 for adult team sports
  - (d) £2.50 for junior team sports

With a minimum discount of 10% applied to ensure any future price increases maintain the level of discount outlined.

- 5.3 Since 2009 over 43,000 individuals have been issued with a West Berkshire card which has been activated at a leisure centre, in 2015 over 24,000 were classified as active at a leisure centre.
- 5.4 The West Berkshire Card remains free to West Berkshire residents and a recruitment drive will accompany the new fees and charges in January 2016.
- 5.5 Benchmarking against other authorities would suggest that the discounts proposed for West Berkshire card holders are in line with other Local Authority leisure centres in the neighbouring area.
- 5.6 In agreeing the prices for 2015 Members requested that the contractor be asked if they would review the definition of a junior participant for those aged 16 and 17. The contractor has reviewed the proposal and has identified an element of risk, especially around loss of income.
- 5.7 The contractor over the past 12 months has introduced a number of bespoke schemes targeting 16 to 18 year olds, it is proposed to continue with and further develop these.

- 5.8 Feedback from neighbouring Local Authorities suggests that none are currently considering a change to the current up to 16 years of age as a definition of a junior.

## **6. Conclusion**

- 6.1 When the proposed fees and charges are benchmarked against surrounding Local Authority owned facilities it is seen that charges in West Berkshire are at the lower end of the comparison thus representing good value for money to West Berkshire residents.

## **7. Appendices**

- 7.1 Appendix A - Supporting Information
- 7.2 Appendix B – Equalities Impact Assessment
- 7.3 Appendix C – Proposed Core Charges for Leisure centres