

**SPORT AND LEISURE  
FEES AND CHARGES PROPOSALS 2019/20**

**DRAFT**

**CHARGING PROPOSALS  
COMMENTARY**

## **SPORT AND LEISURE FEES AND CHARGES 2019 REVIEW**

### **DRAFT CHARGING PROPOSALS**

#### **SECTIONS**

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- 2. KEY CONSIDERATIONS**
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#### **1. OVERVIEW**

In line with the Corporate Charging Policy, Officers from Sport and Leisure have reviewed fees and charges and propose a range of fee increases for 2019.

##### *Key proposals*

*a) It is proposed to introduce an average of 5% increase on all activities, however these are maximum prices*

*b) In 2013 Cabinet approved a 3 year sliding reduction on Passport To Leisure Rates down to 20%. This sliding scale reduction has now been reached and the proposal is for no further reduction in 2019.*

*c) It is proposed to hold the current charges on the Your Choice direct debit monthly memberships*

## 2. KEY CONSIDERATIONS

The following key elements were considered when developing the fees and charges proposals:

- These are maximum fees and charges that the external leisure providers or Wellbeing Service can discount to increase income through increased participation.
- The need to increase participation in line with the City Council's strategic priorities
- Historical Income and Attendance trends
- The need to ensure relevant expenditure and budgeted income targets are achieved.
- Benchmarking with neighbouring local authorities, core cities and other leisure providers and charges set by private sector operators for memberships
- The demand for particular activities and services and the provision of a balanced programme of activities to meet the needs of the community the facilities serve
- Rounding prices to the nearest 10p, 50p or £1.00 to facilitate cash handling at sites. This may result in a slightly higher or lower than average % increase.
- Where 'maximum charges' are stated, managers are encouraged to set local site specific charges as close to the maximum fee as possible. A maximum fee is set as there is a wide variance in charges for facilities/activities across the sites for certain activities e.g. Exercise to Music Classes due to the type and size of class, capacity of class, facility, demand etc

From June 2015 eight facilities are operated by Serco Leisure off the Leisure Framework , with Harborne and Sparkhill Pool being operated by Places Leisure. The pricing document and requirement forms part of the service specification which has been consulted on by all framework contractors. Following contract award further discussions have taken place on Serco and PFP prices and their intentions for future years. Both contractors are comfortable that the current pricing policy allows them to meet the financial proposals within their financial model.

## 3. CHARGING PROPOSALS - CORE ACTIVITIES

All increases are maximum prices with the ability to discount to attract more business

### 3.1 GENERAL SWIMMING

#### **Main sites**

Adults Swim – an increase of 20p (3.92%) from £5.10 to £5.30

Junior Swim – an increase of 20p (6.25%) from £3.20 to £3.40

#### **Justification**

*Current charges have been benchmarked against other local authorities and Core Cities. The service presently sits in the top quartile range.*

*BCC residents can continue to swim for free under the Be Active scheme (juniors at all times and adults at set times).*

*PTL charges will have a 20% discount on the full price.*

*Swimmers can opt for the Aqua Choice monthly membership scheme which offers discounts for regular swimmers.*

### **3.2 INSTRUCTION COURSES e.g. Strokes Swimming and Strikes Football.**

#### **Standard 12 Week instruction course**

Junior - an increase of £3.00 (5.08%) from £59.00 to £62.00

Junior PTL – an increase of £2.40 (5.08%) from £47.20 to £49.60

#### **Justification**

*Current charges are in the top quartile when compared to other local authorities which leaves little room for movement.*

*There is additional increased competition from private providers.*

### **3.3 SCHOOL SWIMMING**

#### **Standard 30 Minute Lesson**

Proposed increase is £2.00 (4.65%) from £43.00 to £45.00

#### **Justification**

*Income and usage has remained fairly constant over recent years.*

*Swimming is the most heavily subsidised activity and therefore carries a higher weighting in terms of proposed increases in fees and charges.*

### **3.4 EXERCISE TO MUSIC CLASSES**

A maximum charge is set within the fees and charges document and managers are encouraged to set charges at this level or similar.

Charges will vary from site to site due to the range and type of exercise to music classes, capacity of classes and type of facility used.

Proposed increase is 30p (4.35%) on the maximum charge from £6.80 to £7.10.

#### **Justification**

*Current charges are in the top quartile when compared to other local authorities and core cities.*

*Memberships within the Health and Wellbeing sites will be adjusted to add extra value to the memberships including classes and session such as weight loss / smoking cessation groups etc*

### **3.5 FITNESS GYMS**

Proposed increase of 30p (4.35%) on standard charge from £6.90 to £7.20

#### **Justification**

*Current charges are in the top quartile when compared to other local authorities and core cities.*

### 3.6 BADMINTON/SQUASH

Proposed increase of 40p (4.65%) from £8.60 to £9.00.

**Justification**

*Current charges are in the upper quartiles compared to other local authorities and core cities so there is flexibility to increase. Many other authorities operate 60 minute sessions compared to BCC 40 minutes for Squash and 55 minutes for Badminton and this should be taken into account when benchmarking with like for like providers.*

### 3.7 PASSPORT TO LEISURE

#### 3.7.1 Current registration charges

Birmingham residents pay £6.00 per annum to register. It is proposed to hold the registration charges at the same rate.

**Justification**

*The proposal has been to reduce the discounts on offer (now at 20% discount) as opposed to increasing the registration fee.*

*The registration fee covers administration costs and buying into a discount scheme. The registration fees were increased by 20% in 2013.*

#### 3.7.2 PTL fees and charges discounts

Presently all PTL cardholders can access the following discounts:

- up to 20% discount on a range of pay and play activities
- 20% discount on instruction courses
- 50% discount on Aqua Choice Direct Debit membership
- 25% discount on Premier Choice Direct Debit membership

The Your Choice membership discounts (monthly direct debits) remain the same

**Justification**

*The sliding reduction of discounts to a standard 20% was approved by Cabinet Member in 2013 over a period of 3 years. This reduction of discounts process has been fully implemented.*

### 3.8 YOUR CHOICE MONTHLY DIRECT DEBIT MEMBERSHIPS

No amendments are proposed to the pricing structure

**Justification**

*The decision to hold charges is based on outcomes from the benchmarking exercise, historical trends, the impact of the Be Active scheme and current income and user trends. Additionally as pay and play charges are increased it will move people towards taking out memberships. This provides guaranteed income and builds loyalty through ownership and a provision of excellent customer service.*