

Report to: EXECUTIVE MEMBER FOR ADULT SERVICES

Date: 31 MARCH 2010

Report of: DIRECTOR OF ADULT AND COMMUNITY SERVICES

Report No:

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Report Title: Pricing Policy for Group Bookings at Leisure Centres

Non Confidential: This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Recommendations: The Executive Member for Adult Services is requested to agree the extension of discounts for group activities as detailed in this report.

Decision:

Signed:

Leader / Executive Member

Monitoring Officer

Date:

SUMMARY OF REPORT:

This report identifies the impact of altering the current pricing structure for group bookings, at Leisure Centres, and proposes an extension to the current system of group discounts.

Proposals and the funding impact are set out at point 4 of the report.

BACKGROUND INFORMATION:

1.0 INTRODUCTION

- 1.1 Members will be aware that both the Council and Serco have been approached by a lobby group under the banner “Campaign for Affordable Provision” (CAP), initially linked to the cost of indoor five a side bookings at one or two centres. They submitted a price comparison with similar activities at other facilities in the region highlighting differentials in policy/pricing structure in neighboring authorities.
- 1.2 In the short term Serco have been offering some discounted access at off peak times whilst the Council gave a commitment to review the policy in respect of discounts for “group” bookings.

2.0 CONTEXT

- 2.1 When the contract for the management of the leisure facilities was awarded to Serco by Bolton Community Leisure Trust there was a requirement that a number of Council policies/priorities be incorporated within the ongoing operation, not least the Smartcard scheme.
- 2.2 Smartcard currently offers discounts of up to 70% discount (dependant on eligibility) on the following activities:
- Badminton
 - Fitness/Weights/Gym
 - Squash
 - Swimming – Casual and lessons
 - Table Tennis
 - Tennis (indoor)
 - Equipment Hire
 - Shower/Changing only
- 2.3 The overall responsibility for setting the annual increase in fees and charges rests with the Trust unless an individual charge is proposed to be increased by more than inflation, in which case the Council’s approval is required. In respect of the charge for indoor 5 a side, this has not been increased by more than inflation since the start of the contract.

3.0 FINANCIAL IMPLICATIONS

- 3.1 Five a side is only one activity that could be categorized as a “group” booking in a sports hall and outdoor all weather facilities offer similar activities. Thus it is not considered that this one activity can be looked at in isolation as other users would have a legitimate case that their activity should be treated in the same way.
- 3.2 During the period April 2008 to March 2009 income generated from these activities was as follows

| | £ |
|---------------------------------------|----------------|
| Indoor 5 a side | 122,800 |
| Hall Hire | 71682 |
| Activity Hire | 19341 |
| e.g. volleyball, skating, karate etc) | |
| All Weather Pitch | 46537 |
| Total | 260,360 |

- 3.3 During the period of the contract, variations have been agreed between the Council and the Trust e.g. free swimming/over 65 activities and a financial adjustment to the deficit payment agreed between the two parties

4. PROPOSAL

- 4.1 Should the Executive Member wish to consider the extension of the Smartcard scheme to “group” activities it is suggested that this could operate on a pro rata basis i.e. one smartcard holder in a group of ten receives 5% discount, two would receive 10%, up to a maximum of 50% if all ten were in possession of smartcards. The anticipated annual cost of this variation to the contract would be £26,036, this figure being based on the proportion of current customers who are smartcard holders. In addition there is an anticipated cost of £2,800 from applying the discount to group activities at the Excel Centre.
- 4.2 The extension of the scheme to group bookings would seem to be a natural progression in supporting the Council’s aim to reduce health inequalities and encourage more people, particularly from vulnerable groups, to adopt more active and healthy lifestyles by addressing the barrier of affordability.
- 4.3 At its meeting on 19th February 2010 Bolton Community Leisure Trust considered a request for a contribution to the cost of the variation. Whilst strictly under the terms of the contract the financial impact of any “policy change” should be borne by the Council, Trustees recognised the merits of the proposal in terms of encouraging participation amongst vulnerable groups and agreed to fund up to a maximum of 50% (£13,018) for a period of 12 months to allow a full assessment of any actual financial impact. In addition they approved a proposal that all activity prices (with the exception of a small increase for fitness suites) be frozen for that period to support a further focus on driving up participation levels.
- 4.4 In respect of the financial contribution that would be required from the Council, Adult Services currently hold a surplus from the Government Free Swimming grant that is more than sufficient to cover the costs for an initial twelve month period.

5.0 EQUALITY IMPACT ASSESSMENT

An initial / screening assessment has been undertaken and concludes that there will be no differential impact from this proposal, in respect of race, gender or disability.

6.0 RECOMMENDATIONS

The Executive Member is requested to approve the extension of discounts for group activities as detailed in the report.