

## HEALTH AND LEISURE PORTFOLIO HOLDERS DECISION- NOVEMBER 2018

### FEES AND CHARGES 2019

#### 1.0 ITEM FOR DECISION

- 1.1 As part of the annual review of budgets, decisions are required to agree any non-statutory fees and charges for the forthcoming year.

#### 2.0 POLICY FRAMEWORK

- 2.1 Council policy for fees and charges is to maximize income unless a conscious decision is made not to do so. In relation to this Portfolio, there are many Industry and local market conditions to consider. These are explained below to accompany the proposals.
- 2.2 In October 2017, fees and charges were reviewed and set for January 2018. For the first time, it was agreed that changes to the pricing structure would be valid for 2 years until December 2019 'unless there are significant changes to the local market that we need to respond to'.
- 2.3 Below are highlighted the key proposed changes and the Industry/local market issues that have been considered in making these proposals.

#### 3.0 EMPLOYEE COSTS

- 3.1 Employee costs are a significant element of Leisure expenditure, and in April 2018 we saw an increase in the minimum wage of 50p with a further increase to £9.00 an hour due in April 2019. This has increased our costs over and above the predicted organic growth in income, and at a time when the Council is aiming to achieve operational 'break even' in leisure.

#### 4.0 CHANGES TO THE LOCAL MARKET

- 4.1 In the last 6 months, we have seen the level of competition within the sector increase at the local level with a new Gym/studio facility opening in Ringwood in December and a similar facility with an application for planning permission submitted, hoping to open in Totton in early 2019.
- 4.2 Both new facilities are brand new and will inevitably result in some transfer from our existing customer base. Whilst we can take action to minimise the loss of members and income, there will be a negative impact on income for at least 12 months.

#### 5.0 PROPOSED CHANGES TO FEES AND CHARGES

- 5.1 New Forest Health and Leisure introduced a gym and swim only membership in October 2018, which was requested by members in each of the last 3 members' surveys. It has been introduced on a trial basis to offer an alternative for those

members who only use gym (not classes) and who are most likely to leave unless we offer a comparable membership option for them. This will be reviewed after 6 months before a decision is made about whether to continue to offer this as an option and which centres it will be available at.

- 5.2 In addition to new facilities entering the market, a benchmarking exercise was carried out to identify the current prices of popular activities within the local market, ensuring that we are keeping pace with our competitors.
- 5.3 In terms of quality, our facilities are equal to any of our competitors, and in particular our pools, which are all 25m, have award winning levels of water quality and modern changing rooms.
- 5.4 The benchmarking exercise shows that whilst our membership prices are generally higher than many of our competitors, our student membership, our adult swim price and our pay and play group exercise class, have all fallen behind the average price.
- 5.5 Increases for 2019 will bring us in line with the local market, and will also help 'offset' the potential loss of membership income and the impact of increased employee costs.

## **6.0 SWIMMING POOL HIRE**

- 6.1 In 2018 a new pricing structure was proposed which introduced 'peak' and 'off peak' hire charges for our pools to reflect increased demand at peak time. The proposal phased the agreed charges in over 2 years with some being effective from January 2019.

## **7.0 FINANCIAL IMPLICATIONS**

- 7.1 The proposals, based on existing levels of sales should generate additional income of £76,000 for a full year. These projected income adjustments will be built into the emerging 2019/20 budget.

## **8. CRIME & DISORDER IMPLICATIONS**

- 8.1 There are none.

## **9. ENVIRONMENTAL IMPLICATIONS**

- 9.1 There are none.

## **10. EQUALITY & DIVERSITY IMPLICATIONS**

- 10.1 There are none.

## **11.0. RECOMMENDATION**

- 11.1 That the proposed fees and charges set out in Appendix 1 to this report be approved to take effect from 1 January 2019..

## **9. PORTFOLIO HOLDER ENDORSEMENT**

**I have agreed to the recommendation of this report.**

**Signed:** CLLR J E BINNS                      **Date:** 20 November 2018

**Date notice of decision given:** 21 November 2018

**Last date for call-in:** 28 November 2018

### **For further information contact:**

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### **Background Papers:**

None

## HEALTH &amp; LEISURE PORTFOLIO

## PROPOSED SCALE OF FEES AND CHARGES FOR 2019

## HEALTH &amp; LEISURE CENTRES

	Current Charge £	Proposed Charge £	Increase £
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**Charges for all centres unless specified.**

All charges effective from 1 January 2019

**Swimming Charges**

Adult	per hour	4.80	5.30	0.50
Junior	(under 8's)	Free	Free	N / A
Junior	(8 - 16 inclusive)	2.70	2.70	0.00
Senior	65+	3.40	3.40	0.00
Concessionary	Adult	2.40	2.65	0.25
	Junior	1.70	1.70	0.00
Swim Academy (44 weeks)*	price per lesson	6.50	6.50	0.00
Area Hire (Commercial) - Pool Hall #	"	155.00	155.00	0.00
Area Hire (Club Rate) - Pool Hall	peak 2019	85.00	90.00	5.00
Area Hire (Club Rate) - Pool Hall	off peak 2019	65.00	65.00	0.00

**Memberships (not inclusive, but entitles members to reduced activity charges)**

Concessionary	(Six Months)	0.00	0.00	0.00
Senior Active/Teen Active (12 mths)		32.00	32.00	0.00

**Membership Packages**

Profiles	Fitness Direct Individual	Monthly	47.00	47.00	0.00
		6 months	270.00	270.00	0.00
		Annual	517.00	517.00	0.00
Fitness Direct Joint	Monthly	88.00	88.00	0.00	
	Annual	968.00	968.00	0.00	
Fitness Direct Indiv. off-peak	Monthly	35.00	35.00	0.00	
	Annual	385.00	385.00	0.00	
Family	Monthly	98.00	98.00	0.00	
	Annual	1,078.00	1,078.00	0.00	
Student	Monthly	25.00	27.00	2.00	
	3 months	75.00	81.00	6.00	
	Annual	275.00	297.00	22.00	
Senior / Concessionary Indiv.	Monthly	35.00	35.00	0.00	
	Annual	385.00	385.00	0.00	
Corporate Individual	Monthly	39.00	39.00	0.00	
	Annual	429.00	429.00	0.00	
Corporate Joint	Monthly	76.00	76.00	0.00	
	Annual	836.00	836.00	0.00	
Swim Direct (adult)	Monthly	29.00	29.00	0.00	
	Annual	319.00	319.00	0.00	
Swim direct (senior)	monthly	23.00	23.00	0.00	
	Annual	253.00	253.00	0.00	
Gym and swim D/D (ringwood only)	monthly	35.00	35.00	0.00	

Gym and swim annual	annual	385.00	385.00	0.00
Casual Use		7.50	7.50	0.00
Group Exercise Class *		6.00	7.00	1.00

\* Majority exempt from VAT

### Healthy Horizons / GP Referrals

First Assesment		7.50	7.50	0.00
20 Sessions (price per session)		3.60	3.60	0.00
Active Lifestyles Package (unlimited sessions )		72.00	72.00	0.00
HH graduate package (Fitness direct - max 3 months) #		30.00	30.00	0.00

# Available on completion of the Health Programme; monthly price

### Sports Hall

Sports Hall (4 Courts)	Peak	per hour	50.00	50.00	0.00
	Off Peak	"	30.00	30.00	0.00
Sports Hall (6 Courts) #	Peak	per hour	75.00	75.00	0.00
	Off Peak	"	45.00	45.00	0.00

\*

### Dryside Activities Charges

Badminton	Peak	per hour	10.00	10.00	0.00
	Off Peak	"	7.00	7.00	0.00
Court hire -with equipment*	Peak		20.00	20.00	0.00
Court hire with equipment*	Off peak		15.00	15.00	0.00
Equipment hire for studios*	Peak		10.00	10.00	0.00

\* This charge will apply to clubs and hirers who require equipment to be set up i.e trampolines, gymnastic equipment and mats for martial arts

ATP	1/3 Area Lymington	per hour	33.00	33.00	0.00
	Whole Lymington	"	78.00	78.00	0.00
	Whole Ringwood	"	33.00	33.00	0.00
Playsite #		per session	3.00	3.00	0.00
# Ringwood only					