

Cheshire East Borough Council

Health and Wellbeing Service

Pricing and Charging Policy



1. Introduction

The Health and Wellbeing Service (the 'Service') has developed a Pricing and Charging Policy within the Cheshire East Council (the 'Council') corporate model. This is to ensure a consistent and transparent approach to charging for its services.

This policy harmonises the approach to be taken when establishing fees and charges. It brings together the different approaches to concessions taken by the former authorities and 'levels up' the position to reflect the new relevant corporate policies and objectives. The outcome though is not to set one fee for every facility because there are very significant differences in the quality, accessibility, popularity and market for the facilities and services across each of the Cheshire East facilities. This policy identifies a consistent concessions policy.

In harmonising the approach to charges to different groups, the Service is adopting a phased approach up to 3 years. This gives groups sufficient time to adjust their own financial arrangements and will be detailed by the relevant Officer by April 2010.

The Council attaches the highest importance to the provision of high quality Health and Wellbeing services, and wishes to encourage all its residents to make full use of them. It believes that in addition to the value of such services in their own right, they are a major delivery mechanism for all its corporate priorities. It is accordingly willing to subsidise the provision of all its Health and Wellbeing services.

This policy does not describe each and every charge as these will be produced at an individual facility level and approved on an annual basis.

2. Background

2.1 Regulatory Framework and statute

Section 93 of the Local Government Act 2003 introduces new powers to charge service users for their use of discretionary services. Where there is statutory guidance provided as to the setting of prices nationally, this guideline does not take precedence. This guidance could however be used in cases where the local authority is able to vary statutory prices.

Relevant Acts and statute:

- Goods & Services Act 1970
- Local Government Act S.93
- Calculation of the Total Cost
- 3 year settlement period
- Treatment of VAT

3 Responsible Officers and review mechanisms

3.1 The following Officers have the authority to approve the annual fees and charges and application of any concessions:

- Guy Kilminster Head of Health and Wellbeing Service
- Mark Wheelton Leisure and Greenspace Manager
- Sheila Woolstencroft Health Improvement Manager
- Linda Morris Culture and Libraries Manager

3.2 Each year normally (by the end of December), to coincide with the normal budget setting process each of the Responsible Officers will submit to the Executive Portfolio holder a scale of Fees and Charges for approval. Once approved, these will be published in the normal manner.

3.3 Where there are different discounts or terms to similar groups or individuals a phased approach up to 2012 to harmonising charges will be adopted.

4 Scope of Services

The Service provides a very wide range of services to the people of Cheshire East and beyond. These range across the whole cultural spectrum from sports, leisure and play development, through theatre to libraries, events, parks and open spaces and many other activities. Some of these activities we offer free of charge; for others we charge a range of fees (see Appendix 1)

5 Factors influencing charging

5.1 Service Objectives

At the core of this charging policy are the Service objectives which can be summarised as being:

- Increasing young people and adult physical activity
- Contributing to the Every Child Matters agenda
- Improving health and reducing health inequalities
- Improving physical and mental wellbeing of people of all ages
- Offering cost effective and quality services and facilities at an optimum price level

5.2 Discretion to Charge

A number of factors help determine whether or not we charge a fee. Some services we are obliged by law to offer free of charge, notably the core library service. Most of our other services are non-statutory, and although they are subsidised by the Council Taxpayer we believe it would be inequitable if the whole cost of many services were to fall on all residents regardless of whether they use them or not. Factors that help determine whether to levy a user charge at the point of access include:

- **Service Objectives**
Whether the Service is delivered by others or in partnership and designed to deliver our Service objectives – e.g. cardiac rehabilitation
- **Any statutory requirements**
To lend library books free of charge.
- **Historic**
Whether the service has been charged for in the past.
- **National Policy guidelines**
The present government has for example invested to allow for free swimming for older people and children and young people up to March 2011.
- **Statutory Regulations**
e.g. Disability Discrimination Act

- **Prime beneficiary**
Where the prime beneficiary of a service is the community at large (for example an urban park) the cost will normally be borne principally from taxation; where the prime beneficiary is an individual (for example a swimming lesson); the cost will normally be borne principally from direct charges.
- **Public expectation**
There are a number of services for which customers do not expect to pay directly – a walk in the park, use of a local children’s playground.
- **Service growth**
Charging for some services and facilities may help us to afford to widen a range of activities without the full cost falling on the taxpayer or alternatively maintain current service provision, for example introducing car parking fees at Country Parks.
- **Quality growth**
Charging may help us to raise the quality of what would otherwise be only a basic service.
- **Efficiency**
The costs of collecting a charge may outweigh the income generated.
- **Financial pressures**
There may be pressure from the local authority itself for us to impose or increase charges for an activity in order to meet service or corporate budget targets.
- **Perceived value**
Customers tend to value services more highly when they have to make a payment at the point of access rather than receiving it free of charge; it is perceived as being “worth something”. This is a principle underlying some of the children’s holiday activities offered by Health and Wellbeing.
- **Benchmarking**
If other local authorities do not charge for a service, we would take that factor into consideration in making any decision of our own; however, we would not be bound by this.
- **Penalty charging**
A charge may be levied, in the wider public interest, on a customer who is in default of his/her obligations. An example of this in the cultural sector is the imposition of charges for library books overdue for return or on the Leisure side if a facility is abused or damaged.

6 Charging levels

Once we have made the decision to charge for a service, further factors come into play as to the level of charge imposed. Factors that influence charging levels are illustrated below:

- **Historic**
Previous charges will help establish the baseline.
- **Gap Reduction**
Is there scope to narrow the gap between expenditure and income for the service without having an adverse impact on service take-up?
- **Benchmarking**
Are we significantly out of line with what other service providers charge for comparable services – for example, other local authorities or other providers (public or private sector) locally?
- **Council and Service Priorities**
Concessions are designed to meet some of these priorities. Increasing participation, reducing health inequalities and making more people generally more active are the principle objectives of the Service. The principle target groups are described in a key strategic document known as the Sustainable Communities Strategy and are described in more detail in the Health and Wellbeing Service Plan.
- **Value Judgment**
How much do customers value the service? How willing are they to pay for it, and how much?

- **Stimulating Business**

Temporary concessions up to a maximum of a 100% discount may be decided upon in order to temporarily boost participation or to accompany a new programme or service for a time limited period. Discounts may also be available by the use of season tickets and package deals to encourage regular activity and help ensure regular income streams.

- **Sensitivity Analysis**

In order to harmonise prices where appropriate some prices may increase and the Service will look to introduce any increase with as much notice as possible and examine ways of phasing new charges as much as possible. The Service has to remain sustainable and maintaining appropriate margins is critically important.

- **Peak Time classification**

Demand in different locations for facilities and services will vary substantially. Peak times in busier facilities may cover substantially more of the programme week than a similar but less busy facility elsewhere. Therefore whilst the entitlement to apply a concession may be consistent, the times at which the concession can be used may be very different.

- **Inflation**

We will use current market and retail inflation to inform the basis of our fees and charges schedule.

- **Balancing the Service budget**

Each year normally (by the beginning of December), a balanced budget is set. This describes the income targets and expenditure forecasts. At this time the scope to apply all the previous elements is considered. Price reductions for one group of customers can be counterbalanced by price increases for another group, resulting in the same bottom line. This sensitivity is almost impossible in the context of an unbalanced budget.

- **Private Sector Competitors**

A small proportion of our services and facilities may have private sector competitors, although more positioned to be complementary or targeting different customers. The Service will evaluate the Private sector providers to inform some particular prices.

- **Internal Services and Departments**

The Service will charge for the use of facilities in all instances. A charge will be calculated to cover any lost income opportunity cost and any direct costs, i.e. mains services, cleaning, hospitality and security elements.

- **Commercial Hirers**

Some bookings of facilities are to commercial hirers who make a profit through charging entry and other fees to customers. In these instances a market value evaluation of the 'worth' of the booking is made to ensure that a fair share of any profit generated by the commercial hirer is retained by the Service for the use of public facilities.

- **Administrative Charges**

The additional cost of invoicing, process and passing for payment for certain categories of hirers will be passed on where ever possible to the hirer

- **Advanced booking arrangements**

Some preferential arrangements for particularly popular peak time facilities may attract a premium rate.

7 Concessionary Access to Services

7.1 Standard Concessions

Concessions are granted on an ability to pay and are means tested. These are described in Appendix 2. Eligibility for a concession is applied consistently but what service or activity is eligible for a concession in each facility may vary depending on a range of factors as detailed in Section 5. Evidence needs to be shown either on each occasion to gain the concession or at the time that any concession card is issued. Our aim is to try and open up the opportunity for all customers to use our services and we will where appropriate target customers from priority groups, in accordance with our Service objectives. Our longer term aim is

not subsidise those members of the public who do not need a subsidy and we will attempt to reduce or remove subsidy over a period of time and as far as market conditions allow. Concessions may only apply at certain times of the programme in each facility and these will vary from facility to facility.

7.2 Discretionary Discounts

From April 2010, groups and societies hiring certain premises and using certain facilities and services may also be eligible for a discount if they demonstrate that their activity helps to address or makes a significant contribution to Service and Corporate priorities. Responsible Officers have the authority to negotiate and agree whether a discount applies and this will be recorded in the form of a letter between the Council and representative. Given the range and number of different facilities and services this Policy does not specify what these are.

7.3 Exceptional Discounts

Exceptions may arise on concessionary hire of premises. There are a number of custom and practice arrangements that have been inherited by the Service. These range from free use by other groups (Town and Parish Councils, other Cheshire East Services and Departments, formal and informal local Societies and Associations etc). Between April 1st 2010 and April 1st 2012 these will all be gradually harmonised and unless there is a legal agreement specifically describing the terms of use of a facility, a charge will be made in every instance. This will be at a minimum to cover all operational and a proportion of lost opportunity costs. To harmonise these charges the annual scale of discounts will apply:

2010/11	2011/12	2012/13
40%	30%	30%

7.4 Internal and Staff Discounts

Internal bookings for room and facility hire paid for by Cheshire East Services and Departments are offered with a 50% discount. The normal terms and conditions apply for payment. There are no further discounts or allowances on the terms and conditions re deadlines for payment or the cost of any refreshments or other catering arrangements.

Cheshire East staff booking a facility for a private event i.e. wedding / birthday party etc may claim a 10% discount on the hire of the venue only. The normal terms and conditions for payment apply.

7.5 Exemptions

Commercial operations like the Lyceum Theatre, where the Service has an agency or other sub-letting arrangement for the sale of tickets or other forms of admission are under no obligation to offer a discount. In these instances, any discounts will be at the discretion of the ticket agent. Similarly, where a legal agreement for the use of a facility for the purposes of an election or as an emergency centre etc, the Service will subsidise this within normal custom and practice arrangements.

8 Income Collection Methods

All advertised prices shown are at their normal rate and this includes VAT where applicable, unless otherwise indicated.

Income will normally be collected at the time of use or hire. Alternatively, mutually convenient arrangements for invoicing within the Councils normal conditions may be entered into and the following factors will be considered before and during this arrangement:

- Confidence that the Invoice will be paid within the terms and conditions of the Council.
- Evidence that the full cost of recovery is included in the Invoicing process.
- Payment for a single or small number of activities will normally be recovered before use takes place

- Payment for a larger number of successive activities will always be recovered, 50% prior to the series and 50% by the half way point. This is to comply with VAT regulations. This may require a short negotiated transition period to allow better cash flow for the hirer.

Management reserves the right to immediately suspend any booking or activity if any of these factors are not met satisfactorily. There is not automatic right to this facility and as a guiding rule 'cash is best'.

This policy will be reviewed in December 2010.

Which Facilities and Services are charged for and which are not

No Charge

The Service will continue to make the following core services available free of charge at the point of access at a level consistent with its statement of cultural entitlement, and on the grounds that their prime benefit is to the wider community of Cheshire East:

- Public library service, including access to Internet and other ICT-based services, though a charge may be made for certain value-added services
- Archives & Local Studies Service, though a charge may be made for specialist research support work.
- Casual access to local parks, woodlands and open spaces across the Borough
- Casual access to country parks, though a car parking charge may be imposed
- Access to children's play areas, though a charge may be made for a small number of play areas of exceptionally high quality.

Charged For

The Service will continue to set access charges for the following services and activities on the grounds that their prime benefit is to individuals and organisations:

- Theatre performances and workshops
- Use of sports pitches, tennis courts, bowling greens, golf courses and putting greens
- Use of indoor sports centres and swimming pools
- Hire of meeting rooms and other premises
- Rental of allotments
- Participation in activities that are organised from time to time in both indoor and outdoor venues

Everybody Options – Eligibility

Senior Citizen - Anyone who is 60 years of age and over.

Please bring one of the following as proof of your eligibility to join:

- Bus Pass
- Pension Book / Pension Credit letter from the Pension Service
- NHS Medical Card
- Birth Certificate

Full Time Student (Must be aged 18 years or older) - Any full time student or anyone employed on a Youth Training Scheme. Please bring the following as proof of your eligibility to join:

NUS Card and an official letter from the relevant college, university or education establishment.

Young Person (Aged 17 and younger)

The parent/guardian must make the application on behalf of the child and must present official identification such as a birth certificate or passport.

Jobseekers Allowance (Income based / Contribution Based)

Please bring the following as proof of your eligibility to join:

Your ES40 signing card and an official letter from Jobcentreplus dated within the last 4 weeks. (If you don't have a letter please bring a bank statement dated within the last 4 weeks which shows that the benefit is still being paid to you).

Income Support

Please bring one of the following as proof of your eligibility to join:

Income Support Payment Book

Letter from the Department for Work (Dated within the last 4 weeks and clearly show that the benefit is still being paid to you).

Housing Benefit or Council Tax Benefit (Single occupancy reductions do not apply)

Please bring your Housing Benefit and / or Council Tax Benefit award letter from Cheshire East Council or a Council Tax Bill which shows the benefit award.

Disability Living Allowance or Severe Disablement Allowance

Please bring one of the following as proof of your eligibility to join:

Disability Living Allowance Book

Severe Disablement Allowance Book

An official letter from the Disability Benefits Centre dated within the last four weeks.

A bank statement dated within the last four weeks which shows that this benefit is still being paid.

Attendance Allowance

Please bring one of the following as proof of your eligibility to join:

Attendance Allowance Book

An official letter from the Disability Benefits Centre or The Pension Service dated within the last four weeks. (If the letter is more than four weeks old and the benefit is paid directly into the bank you may bring a bank statement not more than 4 weeks old which shows this).

Incapacity Benefit - Long Term Rate

Please bring one of the following as proof of your eligibility to join:

Incapacity Benefit Book

An official letter from the Disability Benefits Centre dated within the last four weeks. (If the letter is more than four weeks old and the benefit is paid directly into the bank you may bring a bank statement not more than 4 weeks old which shows this).

War Disablement Pension with Mobility Supplement

Please bring one of the following as proof of your eligibility to join:

Allowance Book

Letter from The Veterans Agency

A bank statement dated within the last four weeks which shows that this benefit is still being paid.

Carers Allowance

Please bring one of the following as proof of your eligibility to join:

Carers Allowance Book

An official letter from the Disability Benefits Centre dated within the last four weeks. (If the letter is more than four weeks old, and if the benefit is paid directly into the bank, a bank statement not more than 4 weeks old showing that the amount of benefit stated on the letter is still being paid into the bank).

War Disablement Pension without Mobility Supplement

Please bring one of the following as proof of your eligibility to join:

Allowance Book

Letter from The Veterans Agency

A bank statement dated within the last four weeks which shows that this benefit is still being paid.

Concessionary Travel Scheme for people with Disabilities.

Please bring one of the following as proof of your eligibility to join:

Official letter from Social Services

Mobility Pass

Travel Scheme Pass

Armed Services Personnel

Normal current Service Identification

Other

Cheshire East residents may also enjoy access to discounts through local negotiation on:

- GP referral scheme
- Cardio Rehab referral scheme
- Physiotherapy referral scheme
- Children in Care (if sponsored by partner agencies)
- Young Offenders (if sponsored by partner agencies)