

# CHESHIRE EAST COUNCIL

## Cabinet Member for Health and Wellbeing

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**Date of Meeting:** 13<sup>th</sup> September 2010  
**Report of:** Head of Health and Wellbeing  
**Subject/Title:** Harmonisation of Fees and Charges in Leisure Facilities

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### 1.0 Report Summary

- 1.1 To provide the Cabinet Member for Health & Wellbeing with the required information in order for a decision to be made on the harmonisation of fees, charges and membership policies in leisure facilities inherited from former district authorities in Cheshire East.

### 2.0 Recommendations

- 2.1 That the Cabinet Member for Health and Wellbeing
- (1) approve the revised scale of fees and charges in leisure facilities with effect from 1<sup>st</sup> October 2010 as part of a two-phase exercise to align pricing where appropriate; and
  - (2) approve the phased withdrawal of the former Congleton Borough Council Bonus Card Scheme in line with the new Cheshire East Everybody memberships.

### 3.0 Reasons for Recommendations

- 3.1 The authority has inherited a number of different approaches to fees and charges in leisure facilities from the former district authorities, which has now resulted in quite significant differences in prices charged to customers at Cheshire East leisure centres for comparable products and services.
- 3.2 On 1 April 2010, a new harmonised membership scheme was launched (Everybody) along with a new concessionary discount scheme (Everybody Options), these new schemes provided a consistent approach to memberships and discounts which allow access to any Cheshire East Council leisure facility. The Bonus Card in the Congleton Area facilities, which is primarily a loyalty scheme, was not withdrawn at the time and as a result is beginning to cause confusion for both staff and customers having two concurrent schemes running. While the benefits of a loyalty scheme are recognised, the lack of a joined leisure management database makes a common Cheshire East scheme impossible to manage and would be investigated for reintroduction at such a time when a single leisure management system is introduced.

#### **4.0 Wards Affected**

4.1 N/A

#### **5.0 Local Ward Members**

5.1 N/A

#### **6.0 Policy Implications including - Climate change - Health**

6.1 It is important to ensure that use of leisure facilities for health improvement is encouraged and that high or unfair pricing is not seen as a barrier to participation. The Everybody Options scheme compliments the headline price levels by offering targeted, means-tested discounts of up to 50% for those who are unable to pay the full price levels for key activities.

#### **7.0 Financial Implications (Authorised by the Borough Treasurer)**

7.1 The exercise aims to introduce a fair and transparent approach to charging within the leisure facilities. Currently by continuing to operate similar products and services with significant price variance, the Authority may be challenged for operating unfair pricing arrangements, the realignment of fees & charges over a two-phase process will begin to address these issues.

7.2 This process is also in line with the approved Health & Wellbeing Pricing & Charging Policy which aimed to have completed the phased harmonisation exercise by 2012.

7.3 The net impact of the rise on the overall fees and charges gives an average increase of:

October 2010 – December 2010	3.22%
January 2011 – May 2011	0.72%

Taking into account the possibility of reduced use through some fee increases, and the off-peak period, an estimate of £30,000 additional income is suggested over the first phase only.

#### **8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 The provision of Leisure facilities is a discretionary service and is subject to powers primarily under Section 19 of the Local Government (Miscellaneous Provisions) Act 1976, the Local Government Act, 1972 and the general "Wellbeing" powers in the Local Government Act, 2000.

8.2 Under S.19 (2) of the Local Government (Miscellaneous Provisions) Act 1976, the Local Authority may make any recreational facilities provided by it "...available for use by such persons as it thinks fit either without charge or on payment of such charges as the authority thinks fit."

- 8.3 The Local Authority will have to comply with any terms and conditions in respect of the Congleton Borough Council Bonus Scheme. I have not seen the terms and conditions, but as I understand that the cards are subject to renewal every 12 months and the plan is for a phased withdrawal that allows the cards to run to their natural termination date, there should not be an issue.

## **9.0 Risk Management**

- 9.1 In harmonising pricing levels, there will be some users who are met with increased or decreased fees which could result in a net decrease in facility usage and income. The impact of the changes to the charges will be monitored

## **10.0 Background and Options**

### **10.1 Options for Consideration**

a. Recommended - Since the amalgamation of the Leisure Facilities into one service, the approach to setting fees and charges has been based on a net increase of previously set levels. As prices are now published as one authority, users have become increasingly aware of potential unfair approaches to pricing policy within the service. Therefore the Cabinet Member is asked to approve a revised scale of fees and charges as detailed in Appendix 1 and to approve a process for the withdrawal of the Bonus Card as detailed in Appendix 2. These actions form the first phase of the harmonisation exercise in October 2010 with Phase 2 scheduled to be completed in June 2011.

b. Not Recommended – Not to harmonise fees & charges at this time and continue with inherited pricing arrangements.

## **11.0 Overview of Year One and Term One Issues**

### **11.1 N/A**

## **12.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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