

<b>Key Decision Required:</b>	<b>NO</b>	<b>In the Forward Plan:</b>	<b>NO</b>
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## CABINET

13 DECEMBER 2013

### REFERENCE REPORT FROM THE CORPORATE MANAGEMENT SCRUTINY COMMITTEE OF 28 OCTOBER 2013

#### **A.1 CORPORATE MANAGEMENT COMMITTEE WORKING PARTY – EFFICIENCY SAVINGS AND INCOME GENERATION: LEISURE SERVICES FEES AND CHARGES**

##### **BACKGROUND**

The Corporate Management Committee Working Party met on 16 and 19 August 2013 to consider how efficiency savings and additional means of generating income could be identified across the Council and agreed that the following be reported back to the Committee:

- Leisure Service's Fees and Charges

Income generation was a prominent feature of the talks and suggestions included monthly promotions for the Council's gym facilities and the Marketing budget be managed better by becoming centralised.

It was made clear to Members that if they were minded to increase membership fees, this could have adverse effects in that it would likely reduce the number of members renewing their memberships and would be a deterrent to those residents wishing to maintain a healthier lifestyle.

The Committee **RECOMMENDED** to **CABINET**, at its meeting held on 4 October 2013, that whilst the Committee was pleased to further investigate ways of increasing income or identifying efficiency savings, it was of the opinion that now was not the time to consider any increase in leisure centre membership fees; and

The Committee **COMMENTED** to **CABINET**, at its meeting held on 4 October 2013, that subject to ascertaining what was planned or had been started in terms of identifying efficiencies etc., it would be worthwhile for the Working Party to consider comparisons with other local authorities to see where Tendring's Leisure Services' fees and charges sat by way of such comparisons and that the potential for running facilities cheaper in terms of energy (e.g. solar panels) be explored.

At its meeting, held on 4 October 2013, Cabinet, having considered the report, **RESOLVED** that the Council's new Sports Facilities Business Manager and the Portfolio Holder for Housing, Benefits and Revenues and Sports Facilities, attend a meeting of the Corporate Management Committee to consider how best to achieve the restructuring of fees and charges in relation to leisure centres.

The Chairman welcomed to the meeting, Councillor Paul Honeywood, Portfolio Holder for Housing, Benefits and Revenues and Sports Facilities, together with Jeanette Thomasson, the Council's new Sports Facilities Business Manager and invited them to share with the Committee, how they intended to restructure fees and charges in relation to leisure centres. The Sports Facilities Business Manager explained that she was looking at key areas of growth and one area that had been promising was swimming lessons and why these had not

been filled. It was reported that participation in swimming lessons had been improved due to a targeted marketing campaign that included full page adverts in the local paper, friend referral discounts and a new mascot which was being created with the children deciding the name via a competition. It was noted that there were plans for more branding on items such as swimming pool bags and t-shirts.

It was further reported that memberships are important due to the level of income these generated within the District. It was reported that, following the appointment of a group marketing manager, marketing for all Centres was now targeted rather than individual ones. It was noted that this had proved effective when marketing for "refer a friend" discounts and that 65 to 70% of new members had come directly from referrals and that new customer visits were up 10% on this time last year. It was hoped that these figures would steadily increase further.

The Committee was advised that, with regards to pricing, due to increasing income compared to last year and a reduction in subsidy, it would be sensible for the Council not to raise prices at this time.

#### **COMMITTEE RECOMMENDATIONS / COMMENTS TO CABINET**

Cabinet is now asked to consider the recommendations and comments of the Committee and determine its response if any:

The Committee **COMMENTS** to **CABINET** to:

1. Ensure that the refurbishment of Walton Pool goes ahead, and on time and to urge talks, or consultations with Frinton and Walton Town Council to alleviate any shortfalls;
2. Applaud the work of the Council's Sports Facilities' Business Manager in marketing initiatives and welcomes the new commercial approach to advertising public services to look into using successful schemes which have been introduced in the past i.e. free swimming and for those to be incorporated into specific "taster days" where all services and facilities could be promoted thereby maximising opportunities to increase income;
3. Register the Council's concerns about academies pulling out of swimming and urge district council to talk to the academies and talk to them about what prices they are willing to pay; and
4. Look to work with local academies to encourage continuing with swimming lessons/use and recommend make contact with Essex boys clubs via Gill Burden and her team, once again to maximise the opportunities to increase income.

#### **PORTFOLIO HOLDER'S COMMENTS / RECOMMENDATIONS TO CABINET**

Comments will be provided directly at the meeting.