

DYDDIAD: 17 CHWEFROR 2023

Yr Aelod Cabinet:	Y Portffolio:
Y Cyngorydd Gareth John	Adfywio, Hamdden, Diwylliant A Thwristiaeth

Y PWNC:

TALIADAU HAMDDEN 2023-24

Yr Argymhellion / penderfyniadau allweddol sydd eu hangen:

- Cymeradwyo'r fframwaith taliadau Hamdden.

Rhesymau:

- Cyflwynwyd yr adroddiad taliadau drafft i'r Pwyllgor Craffu Cymunedau yn flynyddol (26/01/23) fel rhan o'r broses ymgynghori lawn ar y gyllideb ar gyfer y flwyddyn ganlynol.
- Mae'r Cyngor Llawn yn cymeradwyo'r gyllideb gorfforaethol derfynol ar gyfer 2023/24.
- Mae angen i'r Aelod Cabinet gymeradwyo'r adroddiad manwl ynghylch y taliadau.

Y Gyfarwyddiaeth: Cymunedau Enw Pennaeth y Gwasanaeth: Ian Jones Awdur yr Adroddiad: Richard Stradling	Swydd: Pennaeth Hamdden Rheolwr Busnes a Phrosiectau	Rhif Ffôn: 01267 228309 01267 228393 Cyfeiriad e-bost: IJones@sirgar.gov.uk RStradling@sirgar.gov.uk
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Declaration of Personal Interest (if any):

Dispensation Granted to Make Decision (if any):

DECISION MADE:

Signed: _____ DATE: _____
CABINET BOARD MEMBER

The following section will be completed by the Democratic Services Officer in attendance at the meeting

Recommendation of Officer adopted	YES / NO
Recommendation of the Officer was adopted subject to the amendment(s) and reason(s) specified:	
Reason(s) why the Officer's recommendation was not adopted:	

EXECUTIVE SUMMARY CABINET BOARD MEMBER DECISION MEETING FOR REGENERATION, LEISURE, CULTURE & TOURISM

DATE: 17TH FEBRUARY 2023

LEISURE CHARGES 2023-24

1. Introduction:

The report details charges for 2023-24 for the following services:

- Cultural Services (Arts, Libraries, Theatres, Museums, and Archives)
- Sports & Leisure venues (Leisure Centres, Swimming pools, Actif Online products, and Actif Community sports charges)
- Outdoor Recreation (Country Parks, including the Millennium Coastal Park; Pendine Attractor site; and the Outdoor Education Service).

2. Background and market forces

Factors that inform the annual charges review:

Political

- Council's Strategic / business / social objectives
- Alignment with emerging new Leisure Strategy 2023-33, including commercially v socially balanced objectives
- More detailed three-year business / budget planning process and projections

Economic

- Corporate income targets and inflation (projected 10% baseline increase for 23/24, as starting point for increasing charges, unless specified otherwise). Inflation has been stable for many years in the UK, however, on the back of Brexit, Covid, and the war in Ukraine, 2022/3 has seen inflation surpass 10% driving up energy and wholesale goods and food prices, which has a huge bearing on the charges we need to set to keep up with inflation whilst not losing our custom base.
- Real-term inflation on certain goods and services - circa 10-15% in some areas
- Current economic climate and consumer confidence
- Energy costs and projections (adding significant pressures to leisure services with large buildings that require a lot of heating and lighting)
- Previous years' charges
- Comparative charges in neighbouring authorities, and similar facility operators
- Performance of venues in previous years: Covid-19 had a huge impact on all Leisure services, with areas such as wet and dry side income at leisure centres (circa half of all income collected by the service) only projected to return to pre-pandemic levels by the end of March 2023.
- Implications of capital investments, including planned

Social

- Demand / usage trends
- Feedback from users and non-user surveys
- Offering discounted loyalty rates for frequent users via monthly, seasonal, and annual offers, thus providing greater certainty on income, and forming ongoing engagement habits which in turn improves health and well-being.
- Focus on addressing inequality through social pricing
- Focus on families as key market for local authority run services

Technological

- Online products and offers e.g. Actif Anywhere platform for broadcasting live and pre-recorded activity to homes, schools, hospitals and village halls etc

Legal

- Local Government Act 2000 - provides powers for councils to promote the economic, social, and environmental well-being of their area and a duty to develop Community Strategies
- Local Government Act 2003 (section 93) – Power to Charge for Discretionary Services
- Corporate income and charging policy (2017)

Environmental

- Energy costs have a huge bearing on services such as Leisure, with large buildings that need to be regularly heated and lit. The service is aligned in contributing towards the authority's carbon zero goal by 2030 i.e. using circular economy principles; more local procurement; minimising waste; reducing energy usage and thus costs, that in turn can affect charging policy.

3. Other information relevant to charging digest

3.1 Discounts and offers

All charges are upper thresholds and may be discounted, with approval from 2 service officers and the Head of Service. Similarly, cross promoted offers to incentivise retention and new customers will also be developed and promoted throughout the year with agreement for rationale and sign-off by 2 senior officers and HoS.

3.2 Rounding up / down of charges

Where charges differ significantly from previous year, an explanation is provided. Charges are / will be rounded up / down to nearest 10p. Some charges will have been held or increased by more / less than inflations in recent years and may therefore show higher or lower than average % increases this year.

3.3. Commercial lettings / charges

Where a customer applies to hire a facility on a commercial basis, the cost can be charged at up to x2.5 times that of the normal hire rate.

3.4 Internal, partner, and charitable charges

Internal, partner and charitable organisations may apply for up to 50% reduction for fundraising events, to be agreed by 2 senior officers and HoS.

3.5 **Advance charges**

It should also be noted that 2023 seasonal charges for our campsite at Pembrey have already been agreed with our Cabinet Member, given that these sales take place early in the calendar year.

3.6 **Cost of living challenges**

With wages not keeping up with inflation, our most deprived communities and residents are struggling to make ends meet. One of our guiding principles for any revisions to charges during the covid period was to try and maintain long term custom and memberships, to both help long term prosperity, but equally to keep the people of Carmarthenshire healthy and engaged in their communities. Leisure service managers are actively involved with the corporate 'Tackling Poverty working group' to support in a variety of initiatives, including: Warm Spaces at Libraries; Social pricing / concessionary offers; and targeted interventions such as WG Summer of Fun / Winter of Well-being initiatives.

3.7 **Concessions**

Currently offered for certain charges in the following categories with full review aligned to corporate policy planned during 23/24:

- Housing Benefit;
- Council Tax Benefit
- Working Tax Credit
- Guarantee Credit part of Pension Credit
- Income Support
- Income-based Job Seekers Allowance
- Senior Citizens
- Disabled Persons
- Asylum seekers
- Full time students over the age of 16 years
- Children in the care of the Council
- Children under 16 years of age of customers who qualify via above
- Armed services personnel
- Free school meal recipients
- Elite athletes

3.8 **Health and Fitness memberships**

Several factors have been considered in projecting below inflation increases for this income source, where circa £2m is collected annually:

- Volume of income from retained memberships
- Loss from cancellations due to price increases going over a tipping point (commercial sensitivity). YouGov poll found that 10 per cent of adults in Great Britain – amounting to 5.1 million people – have either cancelled or are considering cancelling a gym or other sports or exercise membership “due to the rising cost of living”
- Drop in social value, especially in terms of public health benefits

3.9 Other points considered as part of charging proposals:

- Can we increase numbers or do we increase charges
- Capacity: can we increase it if demand is there? E.g. more gym spaces in existing facility
- Can we do more of what we do but in a different place e.g. more campsites?
- Triggers: what are the triggers to attend / not attend; join / stay / come again / leave
- Existing customers: look to reward loyalty to help promote long terms engagements and habits
- New Customers: Can we incentivise? E.g. refer a friend; multi-family memberships?
- Joint memberships and cross-selling: e.g. free swim session for 2 people; Free entry to Pembrey Country park if you join a gym; Free theatre ticket or discount 20% off; Free family history session at Library / Archive; F&B 10% off for gym member / season ticket holder etc (covered on final tab or charging digest)

DETAILED REPORT ATTACHED?

YES – copy of charges report

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Ian Jones

Head of Leisure

Policy and Crime & Disorder	Legal	Finance	ICT	Risk Management Issues	Organisational Development	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

Finance

The attached charges report forms part of the income generating plan for the leisure division for 2023-24.

It is acknowledged that multiple factors will play a part in the service’s ability to charge and generate income for this coming financial year, and possibly next. Regular monitoring throughout the year will assist in delivering a best possible financial return for these services by year end.

SPJ

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Ian Jones

Head of Leisure

1. Scrutiny Committee – Community Scrutiny committee, 26th January 2023.

2. Local Member(s) - N/A

3. Community / Town Council - N/A

4. Relevant Partners - N/A

5. Staff Side Representatives and other Organisations - N/A

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

- [Local Government Act 2000 - provides powers for councils to promote the economic, social, and environmental well-being of their area and a duty to develop Community Strategies](#)
- [Local Government Act 2003 \(section 93\) \(Wales\) – Power to Charge for Discretionary Services](#)
- [Corporate income and charging policy – March 2017](#)
- **Emerging Leisure, Culture, and Outdoor Recreation Strategy 2023-33**