

EAST AYRSHIRE COUNCIL

**GOVERNANCE AND SCRUTINY COMMITTEE
2 MAY 2008**

**POSITION STATEMENT – CHARGES FOR COUNCIL PREMISES
CABINET REPORT 26 MARCH 2008**

Report by Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide the committee with additional information relating to the proposed charges for Council premises which have been subject to the call in procedure i.e. Sports Halls, Sports Pitches and Doon Valley Swimming Pool.

2. BACKGROUND

- 2.1 In 1998 the Council responded to the Accounts Commission publication "The Challenge of Charging" and an external audit of various prices for services by adopting a managed approach to charging. This approach requires an annual review of all charges to ensure that charges are consistent with service objectives, optimise income and link to the budget process. The primary driver for revising charges is the need to balance the service budget and meet financial targets set as part of the 2008/09 budget process. While this factor takes precedence in proposing new charges, consideration has also been given to benchmarking, optimising use and income, and supporting service objectives. The Challenge of Charging also requires consideration of supporting corporate objectives; impact on likely service usage; cumulative impact; greatest capacity to raise income; concessions; public consultation and justifying the increase.
- 2.2 The charges put forward for consideration are designed to have a neutral effect on service usage. Concessionary prices remain in place and the key justification for the increases in charges is the need to meet budget targets. There has been no public consultation on these charges as the customer base is disparate and there is no established method of reaching all customers quickly. The managed approach to charging also requires systems for monitoring and reviewing the impact of charges. Staff monitor both income and usage levels across the services on a regular basis and can respond quickly to issues as they arise.

- 2.3 Each year since 1999/2000 Leisure Services charges have been developed for Committee/Cabinet consideration with regard to the target required in the budget, balanced with the need to retain and develop facility usage and awareness of local market conditions. Benchmarking of prices against local and national comparisons is also carried out where this information is available. The Council's overall budget strategy assumes that income from fees and charges will increase inline with inflation.
- 2.4 The target for increased income for Leisure Services in 2008/09 is 3% and this equates to an additional £46,000 across the whole of Leisure Services. Charging proposals are aimed at meeting this target and a 3% increase in all charges has not been proposed or stated at any stage in the process. This approach requires careful judgement, however, the detailed local knowledge gained by Leisure Services managers over several years has ensured that income targets are regularly met and falling usage caused by price rises is unusual
- 2.5 The charges for Sports Halls cover the following facilities: Catrine Games Hall; Drongan Games Hall; Gavin Hamilton Sports Centre, Darvel; Hunter Fitness Suite, Kilmarnock; Mauchline Games Hall; Muirkirk Games Hall; New Cumnock Games Hall and Patna Games Hall. The charges for sports pitches cover the facilities listed in Appendix 1.

3. CONSIDERATIONS

- 3.1 Appendix 2 shows the prices proposed by Cabinet with the percentage rise identified and the net increase per person / player.
- 3.2 **Games/Sports Halls**
For Games/Sports Halls the increases proposed range from 3 pence to 25 pence per customer per visit. For a popular activity such as evening football, the price increase for Full Hall Adult (peak) is either 20 pence per player if 10 players share the cost or 25 pence per player if 8 players share the cost.
- 3.3 For children's sessions, bouncy castle sessions and Kids Play parties no rises are proposed. The proposal for Dance Classes, Teen Fit sessions and Gym Memberships is also that prices do not rise in 2008/09, to encourage participation and attract new customers.
- 3.4 A Benchmarking exercise for sports hall prices has also been carried out and the results are shown in Appendix 3. While direct comparisons are difficult to achieve as facilities vary greatly, it can clearly be seen that East Ayrshire's proposed prices are amongst the lowest of the group of

Councils compared. South Ayrshire's prices are considerably lower than all the other services, this may reflect a significantly different approach to budgeting for the services, but this cannot be confirmed.

3.5 **Sports Pitches**

For sports pitches Appendix 2 shows that the increased rise per player range from 1.3 pence to 9.1 pence depending on the number of players sharing the cost.

3.6 Prices across East Ayrshire have been harmonised, however, different operational practises still exist in the two former Council areas. In the former Kilmarnock and Loudoun area, the Council lines the pitches and inspects the pitches on Thursday and Friday. In the former Cumnock and Doon Valley area, the teams line their own pitches and the Council inspects the pitches on Saturday and Sunday mornings. There is no push from customers to harmonise service provision.

3.7 In summer 2007, a customer questionnaire was sent to the 157 teams registered to use Council pitches. 76% of teams returning the questionnaire indicated that the pitch prices were affordable.

3.8 Appendix 4 shows how the proposed prices benchmark against a range of other providers. The Benchmarking exercise clearly shows that while charges vary greatly across Councils, the proposed charges are less than the national averages calculated by Sport Scotland for 2007/08.

3.9 **Doon Valley Swimming Pool**

For Doon Valley Swimming Pool the proposed prices reflect the fact that it is several years since the prices have been reviewed. There were a number of operational issues in relation to the pool over a number of years, primarily relating to staffing issues and a regular programme of price reviews was not undertaken. Raising the prices to levels which are comparable to other local facilities involves a significant increase. However, the facilities are currently undergoing a major improvement programme and customers will benefit from significant improvements to facilities. It is important to note that the Council's Shout Card for young people allows free swimming during school holidays.

3.10 A Benchmarking exercise has been carried out to compare the proposed swimming charges with a range of other Councils and swimming providers. The results are shown in Appendix 5.

3.11 It is clear that the proposed prices are still lower than most Councils and other local providers, particularly for young people. It is significant that the proposed prices are generally lower than swimming facilities in Cumnock and Kilmarnock which are grant aided by the Council. In 2008/09 Visions

in Cumnock will receive a grant of £165,000 and the Galleon Centre will receive a grant of £189,000. Charges for swimming lessons remain considerably lower than most other providers. There is no policy justification for retaining the exceptionally low prices currently in place at the Doon Valley Pool.

4. FINANCIAL IMPLICATIONS

- 4.1 The proposed charges should generate additional income of £9,500 if usage rates remain constant. If the charges are not introduced, alternative methods of achieving this level of income, or equivalent budget savings will need to be introduced to balance the budget.
- 4.2 In 2007/08 the Council's total budgeted expenditure for Leisure Management, which encompasses sports halls and sports pitches was £1,120,000 with £315,500 budgeted for income. The Council's overall subsidy for this service was budgeted at £804,500. It must, however, be noted that these budgets do not include the costs of pitch maintenance (around £2000 per pitch per year) or the cost of repairs and maintenance to pavilions which vary from year to year. The Council does not seek to cover all running costs from customers and the level of subsidy available ensures that prices are kept at relatively low levels.
- 4.3 In 2007/08 the Council's total budgeted expenditure for the management of Doon Valley Pool was £164,800 with £13,400 budgeted for income. The Council therefore budgeted to subsidise this facility by £151,400 in 2007/08. It should be noted that these budgeted costs do not include any utility charges which are met by the Department of Education and Social Services. The Council does not seek to recover all the running costs of the facility from customers and the pool receives a significant subsidy enabling prices to be kept to relatively low levels

5. LEGAL AUTHORITY/IMPLICATIONS

- 5.1 Nil.

6. COMMUNITY PLANNING IMPLICATIONS

- 6.1 The Council's Leisure Services assist in the delivery of a wide range of outcomes of the Community Plan. Charges have been reviewed and proposed to ensure that accessibility for the whole community is balanced with the need to meet income targets.

7. CONCLUSIONS

- 7.1 Details of the Benchmarking exercises undertaken and the further analysis of the proposed charging levels are presented to assist the Committee in its scrutiny role.

William Stafford
Executive Director of Neighbourhood Services

WS/JAG/CF

23rd April 2008

LIST OF BACKGROUND PAPERS

NIL

Implementation officer – john.griffiths@east-ayrshire.gov.uk

FOOTBALL PAVILIONS – NORTH AREA
Barrmill, (includes running track) Barrmill Road, Galston
Bellfield, Bellfield Estate, Kilmarnock
Bonnyton, Warwickhill Road, Kilmarnock
Cocklebie, Dunlop Road, Stewarton
Crookedholm Football Pavilion, Grougar Road, Crookedholm
Dean Park, Dean Road, Kilmarnock
Dunlop, Lugton Road, Dunlop
Fenwick, Kirkton Road, Fenwick
Gavin Hamilton, Jamieson Road, Darvel
Howard Park, Howard Park Drive, Kilmarnock
Hurlford, Richardson Park
Jamieson Park, Girvan Crescent, Newmilns
Kilmaurs, Millhill Avenue
Knockentiber, Playingfield Road, Knockentiber
Lindsay Park, Playingfield Road, Crosshouse
New Farm Loch, Graham Walk, Kilmarnock
Newlands Drive, Kilmarnock
Riccarton, Jeffrey Street, Kilmarnock
Scott Ellis, New Mill Road, Kilmarnock
Strandhead, Kilwinning Road, Stewarton
St Mary's Holm, Galston
Western Road, Galston
FOOTBALL PAVILIONS – SOUTH AREA
Broomfield Auchinleck Road, Cumnock
Catrine, Riverside Crescent
Dalmellington, Ayr Road
Dalrymple, Beechgrove Place
Drongan, Mill O'Shield Road
Lugar/Logan, Park Terrace, Logan
Mauchline, Beechgrove Terrace
Merlin Park, Market Place, Auchinleck
Muirkirk, Park Terrace, Muirkirk
Netherthird, Craigens Road
New Cumnock, Mason Avenue
Ochiltree, Mill Street
Patna, Carnshalloch Avenue

	Prices		Total % Increase	Maximum Court () %increase per player	Monetary Increase per Player	Minimum Court () %increase per player	Monetary Increase per Player
	2007/2008	2008/2009					
Full Hall Adult (Off Peak)	£11.50	£12.00 (50p)	4.35	0.44 (10)	5 pence	0.54 (8)	6.25 pence
Full Hall Adult (Peak)	£18.00	£20.00 (£2)	11.11	1.11 (10)	20 pence	1.39 (8)	25 pence
Full Hall Concession (Off Peak)	£5.75	£6.00 (25p)	4.35	0.35 (10)	2.5 pence	0.54 (8)	3.125 pence
Full Hall Concession (Peak)	£10.00	£12.00 (£2)	20	2 (10)	20 pence	2.5 (8)	25 pence
Badminton Court Adult (Off Peak)	£3.25	£3.50 (25p)	7.7	1.93 (4)	6.25 pence	3.85 (2)	12.5 pence
Badminton Court Adult (Peak)	£4.25	£4.50 (25p)	5.88	1.47 (4)	6.25 pence	2.94 (2)	12.5 pence
Badminton Court Concession (Off Peak)	£1.75	£2.00 (25p)	14.29	3.57 (4)	6.25 pence	7.45 (2)	12.5 pence
Badminton Court Concession (Peak)	£3.25	£3.50 (25p)	7.7	1.93 (4)	6.25 pence	3.85 (2)	12.5 pence
Table Tennis Adult (Off Peak)	£2.25	£2.50 (25p)	11.11	2.77 (4)	6.25 pence	5.55 (2)	12.5 pence
Table Tennis Adult (Peak)	£3.25	£3.50 (25p)	7.7	1.93 (4)	6.25 pence	3.85 (2)	12.5 pence
Table Tennis Concession (Off Peak)	£1.25	£1.50 (25p)	20	5 (4)	6.25 pence	10 (2)	12.5 pence
Table Tennis Concession (Peak)	£3.25	£3.50 (25p)	7.7	1.93 (4)	6.25 pence	3.85 (2)	12.5 pence
Conditioning Room Adult (Off Peak)	£2.25	£2.50 (25p)	11.11	11.11 (1)	25 pence	11.11 (1)	25 pence
Conditioning Room Adult (Peak)	£2.50	£2.75 (25p)	10	10 (1)	25 pence	10 (1)	25 pence
Squash Adult (Off Peak)	£3.25	£3.50 (25p)	7.7	3.85 (2)	12.5 pence	3.85 (2)	12.5 pence
Squash Adult (Peak)	£4.25	£4.50 (25p)	5.88	2.94 (2)	12.5 pence	2.94 (2)	12.5 pence
Squash Concession (Off Peak)	£1.75	£2.00 (25p)	14.29	7.15 (2)	12.5 pence	7.15 (2)	12.5 pence
Children's Sessions	£1.25	£1.25	0	0	0	0	0
Commercial Hire Main Hall	£14.00	£14.00	0	0	0	0	0
Bouncy Castle - 20 minute session	£0.60	£0.60	0	0	0	0	0
Bouncy Castle - 1 hour session	£1.50	£1.50	0	0	0	0	0
Kids Play Party Per Child	£2.25	£2.25	0	0	0	0	0
	£3.70	£3.70	0	0	0	0	0
	£3.95	£3.95	0	0	0	0	0
	£4.20	£4.20	0	0	0	0	0
Funtastic Themed Children's Parties							
	£130.00	£130.00	0	0	0	0	0
Disco Bounce Party	£150.00	£150.00	0	0	0	0	0
Disco Bounce Party With Additional Castle	£90.00	£90.00	0	0	0	0	0
Adventure World Party	£150.00	£150.00	0	0	0	0	0
Discomania Children's Party	£175.00	£175.00	0	0	0	0	0
Airzone Party							
Pedal Power	£2.75	£3.00 (25p)	9.09	9.09 (1)	25 pence	9.09 (1)	25 pence
Personal Training	£15.00	£15.00	0	0	0	0	0
Gym Induction	£10.00	£10.00	0	0	0	0	0
Teen Fit	£1.50	£1.50	0	0	0	0	0
Dance Class	£1.50	£1.50	0	0	0	0	0
3 Month Gym Membership	£50.00	£55.00 (£5)	10	10 (1)	£5	10 (1)	£5
6 Month Gym Membership	£100.00	£100.00	0	0	0	0	0
Annual Gym Membership	£180.00	£180.00	0	0	0	0	0

Football Pitches

	Prices		Total % Increase	Maximum Court () %increase per player	Monetary Increase per Player	Minimum Court () %increase per player	Monetary Increase per Player
	2007/2008	2008/2009					
Over 19's per match	£24.50	£25.50	4.08 (£1.00)	0.14 (30)	3.3 pence	0.19 (22)	4.5 pence
Over 19's training	£19.00	£20.00	5.26 (£1.00)	0.35 (15)	6.7 pence	0.48 (11)	9.1 pence
Under 19's per match	£14.00	£14.75	5.36 (£0.75)	0.18 (30)	2.5 pence	0.24 (22)	3.4 pence
Under 19's training	£11.00	£12.00	9.09 (£1.00)	0.6 (15)	6.7 pence	0.83 (11)	9.1 pence
Soccer 7's per hour	£7.75	£8.00	3.23 (£0.25)	0.18 (18)	1.39 pence	0.23 (14)	1.8 pence

Doon Valley Swimming Pool

	Prices		Total % Increase	Monetary Increase	Last Increase 1998/1999	Current Prices @ 3% Increase per annum
	2007/2008	2008/2009				
Adult Swim	£1.15	£2.30	100	£1.15	£1.15	£1.58
Concession Swim	£0.60	£1.20	100	£0.60	£0.60	£0.78
Juvenile Swim	£0.55	£1.20	118	£0.65	£0.55	£0.73
Child Swimming Lesson	£8.00	£19.00	137.5	£11.00	£8.00	£10.75
Adult Swimming Lesson	£12.00	£19.00	58.33	£7.00	£12.00	£16.13
Primary School Lesson Per Child	£1.00	£1.10	10	£0.10	£0.00	
Childrens Activity Session	£1.00	£1.25	25	£0.25		
Aqua Aerobics	£2.00	£2.75	37.5	£0.75		
Pool Hire (Per Hour)	£12.00	£20.00	66.6	£8.00		
Pool Party (2 Hours)	N/A	£40.00	New	0		
Gym Per hour	N/A	£2.75	New	0		
Gym and Swim 3 Month Card	N/A	£65.00	New	0		

CHARGES FOR SPORTS HALLS - BENCHMARKING

Leisure Organisation	Full Hall Adult Peak	Full Hall Juvenile Peak	Badminton Adult Peak	Badminton Juvenile Peak	Squash Adult Peak	Squash Juvenile Peak	Table Tennis Adult Peak	Table Tennis Juvenile Peak	Gym Adult Peak	Gym Adult Off Peak
East Ayrshire	£20.00	£12.00	£4.50	£3.50	£4.50	£2.00	£3.50	£1.50	£2.75	£2.50
South Ayrshire	£16.00	£9.00	£2.20 pp	£1.20 pp	£2.90	£1.80	£1.70	£1.20	£2.90	£2.00
Clackmannshire	£24.60	£17.10	£7.60	£5.30	N/A	N/A	N/A	N/A	N/A	N/A
Glasgow	£33.60	£16.70	£7.10	£3.55	£8.40	£4.20	£3.30	£1.65	£4.90	£2.45
Sportscotland Averages 07/08	£31.18	£20.25	£7.23	£4.22	£9.94	£4.08	£5.07	£3.50	£4.35	£3.10
Galleon	£34.30	£22.40	£7.00	£4.60	£7.00	£5.30	£2.70	£2.70	£4.85	£3.75
East Renfrewshire	£33.00	£23.00	£6.60	£4.60	£5.15	£2.80	N/A	N/A	£5.25	£3.60
South Lanarkshire	£29.90	£14.95	£6.70	£3.35	£6.70	£3.35	£4.50	£2.25	£4.40	£2.20
Dumfries & Galloway	£22.40	£16.50	£7.35	£5.50	N/A	N/A	£7.35	£5.50	£3.70	£3.70

Authority	Grass Football Pitch with Changing
EAC Community Recreation	
Adult	25.50
Under 19's	14.75
South Ayrshire	
Adult	16.50
Under 19's	10.00
North Ayrshire	
Adult	28.00
Under 19's	12.00
East Renfrewshire	
Adult	34.00
Under 19's	17.00
South Lanarkshire	
Adult	46.45
Under 19's	23.25
Glasgow	
Adult	19.70
Under 19's	9.85
Dumfries & Galloway	
Adult	10.00
Under 19's	6.00
Clackmannanshire	
Adult	23.00
Under 19's	16.10
Sportscotland Averages 2007/2008	
Adult	27.73
Under 19's	14.03
Loudon Super Sevens	
Adult	66.00
Under 19's	40.00

Appendix 5

Leisure Organisation	Cost of Adult Swim (Traditional Pool)	Cost of Concession Swim	Cost of Juvenile Swim (traditional pool)	Cost of Juvenile Lessons X 8	Cost of Adult Lessons X 8	Cost of Primary School Lesson (per child)	Cost of Pool Hire (per hour)
East Ayrshire	£2.30	£1.20	£1.20	£19.00	£19.00	£1.10	£20.00
Auchinleck Recreation Centre	£2.25	£1.75	£1.50	£20.00	£10.00	N/A	£54.00 FER
West Dunbartonshire	£2.55	£1.40	£1.85	£27.00 X 10 lessons	£27.00 X 5 lessons	Free	£50.75
Midlothian	£2.70	£1.40	£1.40	£25.00	£34.00	£1.40	£52.50
South Ayrshire (rural)	£2.10	£1.80	£1.20	£22.00	£32.08	£1.65	£25.80
North Ayrshire (rural)	£2.50		£1.80	£30.40	£36.80	£1.70	£80.00
Visions Leisure Cumnock	£2.90	£2.10	£2.10	£31.00 X 10 Lessons	£31.00 X 10	£2.10	£26.25 (shared access only)
Highland	£3.90	£1.95	£1.95	£23.60	£46.80	£1.00 Primary £1.10 Secondary	£42.80 (pool party plus pool room)
Angus	£3.00	£1.60	£1.60	£22.00	£32.00	£1.60	£60.00
East Dunbartonshire	£2.20	Free	£1.65	£24.60	£32.80	£1.10	£39.00
Inverclyde	£2.70	£2.20	£2.20	£27.20	£36.00	£1.20 Plus £27.00 for two Assessors	£37.50
South Lanarkshire	£2.30	£1.15	£1.15	£24.90	£34.70		N/A
East Renfrewshire	£2.40	£0.90	£1.70	£32.00	£80.00	£1.70	£64.00 (plus staffing costs)
D&G Nithsdale	£2.65	£1.35	£1.55	£35.20	£42.00		£37.00
Sportscotland Averages 2007/2008	£2.61	£1.30	£1.46	£22.96	£32.48		£52.95
Glasgow	£2.20	£1.10	£1.10	£21.60	£39.00	Not Available	Various
South Lanarkshire	£2.30	£1.15	£1.15	£31.15	£41.30	£1.05	£35.75
Aberdeen	£3.00	Free	£1.50	£19.20	£24.00	£1.50	£125.75 (out with hours)
Galleon Leisure		£1.55		£28.00			£63.80
North Lanarkshire	£2.60	£1.35	£1.35	£28.00	£38.40	£1.36	£32.00 (Mon – Fri before 5pm) £54.00 (thereafter)