

Subject:	Fees & Charges 2013/14 – Venues, Outdoor Events, Seafront, Sports Facilities and Golf Courses		
Date of Meeting:	10th January 2013		
Report of:	Interim Lead for Culture		
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Wards Affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT

- 1.1 The fees and charges for services are reviewed annually in line with the Corporate Fees & Charges Policy. As a minimum, all fees and charges are increased by the corporate rate of inflation which has been set at 2%. This is the same percentage by which income budgets will be increased. For the Sports Facilities and Golf Courses Contracts there is a formula to calculate the inflationary price increase for linked to the All Items Retail Prices Index Excluding Mortgage Interest Payments (RPIX). The increase calculated for 2013/14 is 2.76%.
- 1.2 The council's Financial Regulations require that any increases proposed over and above inflation are agreed by council, they also state that it is good practice to report on fees and charges that are rising by inflation only.
- 1.3 This combined report presents the review of fees and charges across four service areas: venues, seafront, sports facilities and golf courses and outdoor events. The changes would be implemented from April 2013.

2. RECOMMENDATIONS

- 2.1 That Members approve the fees and charges for Venues for 2013/2014 in appendix A.
- 2.2 That Members approve the fees and charges for Outdoor Events for 2013/14 in appendix B.
- 2.3 That Members approve the fees and charges for the Seafront for 2013/14 in appendix C.
- 2.4 That Members approve the fees and charges for Sports Facilities and Golf Courses for 2013/14 in appendix D.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS

3.1 The fees and charges proposed in the attached appendices have been increased by the base line of 2% (or 2.76% in the case of sports facilities and golf courses) unless indicated otherwise. However, the amounts have been rounded for ease of administration and therefore the actual percentage increase is often not exactly 2% or 2.76%. Where a percentage increase above inflation is proposed an explanation is given in this main report. The proposals for each of the service areas are now considered.

3.2 VENUES

3.2.1 Venues include the Brighton Centre and Hove Centre and the range of proposed charges for 2013/14 is included in appendix A. The charges proposed are restricted to an inflationary increase for the following reasons:

- Members approved a higher than inflation increase for 2012/13 for the charges at the Brighton Centre due to the refurbishment that had been undertaken at the Centre in 2013/14.
- While the refurbishment at the Brighton Centre has resulted in a greater proportion of conference and exhibition enquiries for 2013/14, there has been a decline in the number of entertainment enquiries. Therefore, a higher than inflationary increase would be likely to be detrimental to the overall income generated.

3.3 OUTDOOR EVENTS

3.3.1 Following the approval of the Outdoor Events Policy in March 2012, the fees and charges for Outdoor Events were increased by 5-10% for 2012/13. Therefore, it is proposed to increase the charges by inflation for 2013/14 as per appendix B.

3.4 SEAFRONT

3.4.1 There are a range of fees and charges linked with the Seafront as per appendix C including those for the Beach Chalets, Beach Huts and Volks Railway. The proposal is to increase the charges by inflation except for the Volks Railway and the Beach Hut Transfer Administration Fee. Beach Huts are those owned by private individuals who then pay an annual licence to the council.

3.4.2 The Beach Hut Transfer Administration Fee is currently set at £50 including VAT. This fee is payable when an owner sells their Beach Hut and has remained unchanged for the past five years. Beach Huts are currently on the market from £11,500 to £14,000, depending upon the location on Hove Promenade. Therefore, as the Transfer Administration Fee is a very small proportion of the total cost an increase of 50% to £75 is proposed.

3.4.3 This increase is also necessary to cover the costs of the administration which can take an officer anywhere between 2-4 hours to complete.

Officers meet each new owner individually to ensure that all licence forms are signed and completed correctly and to ensure that all forms of identity are available before the licence is transferred. Officers also undertake a check to ensure that the licence fee and rates have been paid on the hut for the licence year before the transfer can be authorised. So far in the current year officers have undertaken 28 Beach Hut transfers.

3.4.4 The proposed increases for the Volks Railway are significantly above inflation for a number of reasons itemised below. These will be kept under review and the demand under different categories monitored specifically.

- The prices have not been consistently increased in recent years.
- While the percentage increase may appear high, the actual monetary increase for individual tickets is still relatively small.
- The railway has suffered a significant increase in maintenance costs due to the increased price of materials (particularly timber and metal).
- The proposed Sand Sculpture attraction at Black Rock offers the potential for an increase in demand for use of the railway by visitors and there is an aspiration to extend the season of use for Volks.
- As the Volks Railway is unique it is difficult to make comparison with other visitor experiences. However, the Volk's prices would still be considered to provide good value for money in terms of visitor attractions.

Volks Railway	Current Price 2012/2013	Proposed 2013/2014	Increase £	Increase %
Adult single	2.00	2.60	0.60	30.0%
Adult return	3.10	3.50	0.40	12.9%
Child single	1.10	1.50	0.40	36.4%
Child return	1.60	2.00	0.40	25.0%
Senior single	1.30	1.70	0.40	30.8%
Senior return	2.00	2.60	0.60	30.0%
Family single	4.20	6.70	2.50	59.5%
Family return	6.90	9.00	2.10	30.4%
Adult group return	2.30	2.50	0.20	8.7%
Child group return + talk	N/A	2.60	New	New
Child group return	1.30	1.60	0.30	23.1%
Halfway Adult single	1.20	1.50	0.30	25.0%
Halfway child single	0.70	0.90	0.20	28.6%

Vera	0.30	0.50	0.20	66.7%
Special	1.00	1.00	-	0.0%

3.4.5 Beach Chalets are owned by the council and tenants pay an annual rent. Following the review of Beach Chalet lettings which resulted in substantial increases in rents for 2012/13, it is proposed that the increase is by inflation for 2013/14.

3.5 SPORTS FACILITIES AND GOLF COURSES

3.5.1 Six council sports facilities and two golf courses are operated on behalf of the council by the social enterprises, Freedom Leisure and Mytime Active respectively. Under the terms of the contracts these service providers retain the income generated and are responsible for all of the operational costs associated with the delivery of the service.

3.5.2 The fees and charges that Freedom Leisure and Mytime Active implement are controlled by the contracts which both allow for an annual uplift in line with inflation. The All Items Retail Prices Index Excluding Mortgage Interest Payments (RPIX) is used to provide the relevant percentage uplift. Increases over and above this amount must be agreed separately and are included in this report.

Sports Facilities (Freedom Leisure contract)

3.5.3 A new **Concessionary Card Scheme** is proposed to be introduced at all of the sports facilities within this contract. It is anticipated that the scheme would increase participation in sport and physical activity by traditionally low user groups for whom price is a particular barrier to taking part. The scheme would help to provide greater opportunities which could lead to a reduction in health inequalities. The scheme will be based upon the principle of providing a subsidised price to those less likely to be able to afford to access the facilities at a standard price. To be eligible for a Concessionary Card, the individual will be required to evidence that they are in receipt of one of a range of benefits.

3.5.4 The scheme has been discussed with Revenue and Benefits officers and the Concession Card is proposed to be given to customers in receipt of any of the following benefits:

- Jobseekers Allowance (Income Based)
- Employment & Support Allowance (Income Based)
- Pension Credit (Guaranteed Credit)
- Income Support
- Disability Living Allowance
- Attendance Allowance
- Child Tax Credit

The concession card would then provide a **discount of 40%** on the following range of activities:

- Swimming
- Fitness Suite
- Fitness Membership
- Squash
- Badminton
- Table Tennis

3.5.5 The scheme would be administered by Freedom Leisure and introduced from 1st April 2013. In order to implement the Concessionary Card scheme at no cost to the council or Freedom Leisure, there is a requirement to increase some prices above inflation. These proposed prices are shown in the table below. All other prices will be limited to inflationary increases.

It should also be noted that although above the rate of inflation, the increase in prices for the sports activities outlined below still keep the prices either very close to or below the average price for these activities as compared to other regional facilities.

Activity	Current Price 2012/2013	Proposed 2013/2014	Increase £	Increase %	Regional Average Price Benchmark
Swimming (Adult)	£4.00	£4.30	£0.30	7.5%	£4.37
Swimming (Junior/60+)	£2.40	£2.55	0.15	6.3%	£3.08
Swimming Lessons	£5.40	£5.80	£0.40	7.4%	£6.46
All weather pitch (5 a side)	£27.05	£29.85	£2.80	10.4%	£29.53
Athletics training	£3.60	£3.95	£0.35	9.7%	-
Junior tennis coaching	£6.40	£6.85	£0.45	7%	-
Crèche (Withdean & Prince Regent)	Free	£0.50	£0.50	-	£3.54

3.5.6 In addition to the above-inflation prices outlined above, the proposal includes a change to the pricing structure at Moulsecomb Community

Leisure Centre (MCLC). The centre currently provides preferential rates for activities for those residents who live in the Moulsecoomb, Coldean, Bevendean and Hollingdean areas. This is the only centre in the Sports Facilities Contract operating this type of structure. The proposal is to replace this policy with the Concessionary Card scheme, thereby ensuring that discounts are given based on means rather than where people live. This will ensure that a fair, consistent and contract-wide approach to concessionary pricing is adopted.

Golf Courses (Mytime Active contract)

3.5.7 Price increases at Waterhall Golf Course are proposed in line with inflation.

3.5.8 For Hollingbury Park Course, the price increases proposed are a direct reflection of the very significant improvements made to the facility over the last two years and the quality of the course. It must also be noted that, however, that the proposed price increases remain below the regional average prices for a facility such as this and the cost of a Junior's Season Ticket is actually reduced to encourage the participation of younger players. Hollingbury still offers extremely good value for money, increases are needed to maintain the quality achieved and bring the facility more in line with the market.

Activity	Current Price 2012/2013	Proposed 2013/2014	Increase £	Increase %	Regional Average Price Benchmark
Hollingbury Park Golf Course					
7 Day Season Ticket	£585.00	£620.00	£35.00	6.0%	£753.00
5 Day Season Tickets	£450.00	£475.00	£25.00	5.6%	£624.00
5 Day Seniors/Student Season Tickets	£395.00	£410.00	£15.00	3.8%	£415.00
Juniors Season Tickets	£115.00	£95.00	£20.00	-17.4%	£118.00
Waterhall Golf Course					
7 Day Season Ticket	£495.00	£510.00	£15.00	3.0%	£753.00
5 Day Season Tickets	£389.00	£400.00	£11.00	2.8%	£624.00
5 Day Seniors/Student Season Tickets	£340.00	£350.00	£10.00	2.9%	£415.00
Juniors Season Tickets	£95.00	£95.00	-	0.0%	£118.00

4. CONSULTATION

- 4.1 Consultation has been undertaken with Freedom Leisure and Mytime Active in relation to the Sports Facilities and Golf Courses charges respectively. Consultation has also been undertaken with the Revenue and Benefits section in relation to the eligibility criteria for a Concessionary Card.

5. FINANCIAL & OTHER IMPLICATIONS

5.1 Financial Implications

- 5.1.1 The fees and charges have been reviewed in accordance with the Fees and Charges Policy and it is anticipated that the proposed fees and charges based on estimated levels of activity will achieve the income targets included in the draft 2013/14 budget strategy.
- 5.1.2 The combined income target for the Brighton Centre and the Hove Centre is in excess of £2.3m (excluding Civic Hire). This includes income from entertainments for which the fees are agreed by negotiation as well as commission on the catering contract.
- 5.1.3 The 2013/14 income target for chargeable Outdoor Events is £ 0.217 m. There is also a target of £0.022m for income from advertising.
- 5.1.4 The 2013/14 income target for Seafront Services is £0.399 m which includes £0.222m for Volks Railway.

Finance Officer Consulted: Michelle Herrington

Date: 06.12.12

5.2 Legal Implications

The proposed changes to the fees and charges are considered to be proportionate and reasonable.

Lawyer Consulted: Bob Bruce

Date: 06.12.12

5.3 Equalities Implications

The introduction of a Concessionary Card scheme in sports facilities will have a positive equalities impact in terms of encouraging those who are unable to participate for financial reasons to use the facilities. The discount applied is significant at 40% of the price charged which is, in many cases, below the regional average price in addition.

5.4 Sustainability Implications

The fees and charges increases in terms of the seafront and golf courses in particular are for reasons of financial sustainability. Whilst making an essential contribution to the viability of the services, the increases are also considered proportionate and reasonable.

5.5 Crime & Disorder Implications

Well run and managed facilities are more likely to discourage or attract anti-social or criminal behaviour. The fees and charges outlined in this report are designed to improve the facilities and services.

5.6 Risk & Opportunity Management Implications

Fees and charges are reviewed recognising the need to balance the achievement of income targets with the desire to encourage the usage of the services provided.

5.7 Corporate / Citywide Implications

Fees and charges are reviewed in line with the Corporate Fees & Charges Policy.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S)

6.1 The rationale for the proposed increases in the fees and charges are indicated in the body of the report.

7. REASONS FOR REPORT RECOMMENDATIONS

7.1 The proposed fees and charges across the four service areas are considered proportionate and reasonable. Where charges are proposed for increase there are sound business reasons and in the case of the sports facilities, the increases are for the specific purpose of enabling a Concessionary Card Scheme.

SUPPORTING DOCUMENTATION

Appendices:

- A. Fees & Charges 2013/14 - Venues
- B. Fees & Charges 2013/14 – Outdoor Events
- C. Fees & Charges 2013/14 - Seafront
- D. Fees & Charges 2013/14 – Sports Facilities and Golf Courses

Documents in Members' Rooms

1. None

Background Documents

1. None

