

LEISURE CONCESSIONS AND ARTHOG REMISSIONS POLICY REVIEW

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TELFORD & WREKIN COUNCIL

LEISURE CONCESSIONS AND ARTHOG REMISSIONS POLICY REVIEW

REPORT OF THE CO-OPERATIVE & COMMUNITIES SCRUTINY COMMITTEE

1.0 PURPOSE

- 1.1 To make recommendations to the Council's Cabinet on proposed changes to the leisure services concessions policy in order to make the £50K savings required for 2012/13.**

2.0 RECOMMENDATIONS

- 2.1 That Cabinet agrees the recommendations set out in section 9.3 of this report to meet the required £50k savings target for leisure concessions including:-**
- 2.2 To remove the automatic concessionary status for new over 60s except for those in receipt of Pensions Credit;**
- 2.3 To introduce a flat rate £1 charge for swimming for all concessionary groups;**
- 2.4 To standardise and increase concessionary Health & Fitness membership to £21.50pcm for all members;**
- 2.5 To remove concessions on golf for all groups.**
- 2.6 That the existing Arthog Remissions Policy is retained.**

3. PREVIOUS MINUTES

- 3.1 Co-operative & Communities Scrutiny Committee meetings, 9th November 2011 and 1st December 2011.**

4.0 SUMMARY

- 4.1 Members of the Co-operative & Communities Scrutiny Committee agreed to review leisure concessions as part of the 2011/12 work programme. The Cabinet Member, Leisure & Wellbeing, and senior**

officers had put the suggestion forward and the Scrutiny Committee welcomed the opportunity to be engaged at an early stage of the policy review.

- 4.2 Members of the Committee were Cllrs. Angela McClements (Chairman), Stephen Bentley, Nathan England, Kevin Guy, Tracy Hope, Amrik Jhawar, Jackie Loveridge, Karen Tomlinson and Co-optee Lynda Baker-Oliver.
- 4.3 The review was driven by the need to make 20% non-staff savings in line with other Council service areas. This meant a savings (or additional income) target of around £400k for Leisure of which £50k was proposed from a review of concessionary charges from 2012/13.
- 4.4 The aim of the review was to identify revisions to the concessions schemes to meet the required savings/income target and to recommend the selected options to Cabinet.
- 4.5 In carrying out this review, the Committee met Cllr. Arnold England, Cabinet Member for Leisure and Wellbeing, Angie Astley Head of Customer Services, Leisure and Libraries and Stuart Davidson, Community & Leisure Services Delivery Manager.
- 4.6 The Committee met on 9th November and 1st December 2011 to consider the existing concessions policy and to appraise the options for revising the schemes to generate the required level of additional income. A wide range of options were considered across all age groups and activities. Members considered the potential impact on service users and the financial risks associated with each option, as well as new ideas for income generation.
- 4.7 This report sets out the key issues discussed at the meeting and the Committee's conclusions and recommendations.

5.0 BACKGROUND INFORMATION

- 5.1 The Council currently affords free or discounted access to a range of sports and leisure activities for a number of concessionary groups as defined in the table below.

Group	Definition	Number of Cardholders	Entitlement
1	People/families in receipt of Council Tax Benefit, Pension Credit, Leaving Care Allowance, free school meals or Healthy Start	2,482 adults 1,710 junior	Free Swimming and off peak skating. Up to 40% discount on other non instructed activities and up to 25% off instructed activities.

	Vouchers		
2	People in receipt of one or more of the following: Employment and Support Allowance, Severe Disablement Allowance, Disability Living Allowance, Disability Working Allowance, Disabled Persons Tax Credit, Industrial Disablement, Attendance Allowance, Mobility Allowance.	598	Free Swimming and off peak skating. Up to 40% discount on other non instructed activities and up to 25% off instructed activities. Above also applies to an accompanying carer.
3	People in receipt of Carers Allowance.	Included within group 1	Free Swimming and off peak skating. Up to 40% discount on other non instructed activities and up to 25% off instructed activities.
4	60+	2,459	Free Swimming and off peak skating. Up to 40% discount on other non instructed activities and up to 25% off instructed activities.
5	Full time students aged 16 and over	916	Admission at Junior rates.

5.2 The purpose of the concessions scheme is to provide equality of access to the Council's sports & leisure activities for those groups that may be considered to be financially disadvantaged.

5.3 The Council does in addition to the concessions scheme offer targeted leisure and physical activity provision for hard to reach groups through commissioned projects, external funding and sponsorship. This provision typically targets hard to reach and low participation groups. Current projects include:

- I Can Too (free activities for disabled children)
- Fit 4 Life Scheme (reduced price activities for referred users)
- Inclusive Leisure (support for disabled adults to access activities)
- Active Families (funded activities for inactive families)
- Physical Activity reward Scheme (activities for 13-19 year olds)
- Kidz 4 A Quid (subsidised holiday activity programme)
- Tackle Your Health (health screening and activities for men)

5.4 The concessions scheme is administered through the Flex Card which allows for secure and accurate capture of data. The concessions card is visibly indistinguishable from non-concessionary cards.

- 5.5 Leisure is a discretionary service and as such there is no statutory requirement to provide services or to offer a concessions scheme. Concessionary entitlement is currently open to residents only, with the exception of Disabled card holders where residency is not currently a requirement.
- 5.6 A breakdown of current concessionary card ownership is included within the table in paragraph 5.1 above. Whilst the entitlement criteria are consistent across the service the level of discount applied differs. For example the over 60's are entitled to free swimming and off peak skating whilst the level of discount for golf is less than 20% and excludes weekend usage.
- 5.7 Concessionary discounts are not currently available on block bookings or group activities.
- 5.8 Telford & Wrekin registered Foster Carers are also currently afforded concessionary status.
- 5.9 Concessionary schemes vary greatly across local authorities and direct comparisons are not easy. However, the current Telford & Wrekin scheme is considered to be generous.

6.0 KEY CONSIDERATIONS

- 6.1 Members recognised the positive impact of leisure concessions on the level of physical activity and overall health and wellbeing in the borough. There was concern about the potential impact of any changes, but also a recognition that changes must be made because of the reduction in the Council's grant. A number of underlying factors were taken into account during the discussion:
 - 6.1.1 That revisions to schemes must generate a projected overall income of £50k during 2012/13.
 - 6.1.2 That equalities issues must be considered, and the need to protect people and families in receipt of benefits and minimise the financial impact on people and families on low incomes as far as possible.
 - 6.1.3 That swimming and health & fitness represent by far the most popular concessionary activities and therefore offer the greatest potential for achieving savings.
 - 6.1.4 That revisions to concessions must be balanced against the need to protect income streams and the risk of lower admissions arising from increased charges.

- 6.1.5 That revisions to concessions must be balanced against the risk of a reduction in the level of physical activity and the consequent long-term impacts on health and wellbeing in the borough.
 - 6.1.5 That leisure is a discretionary service and there is no statutory duty to offer concessions. Concessions offered by Telford & Wrekin Council were considered generous compared to other authorities.
- 6.2 At the first meeting, a broad range of ideas and options were explored to establish initial views on where savings could potentially be made.

6.2.1 Free swimming for under 16s with a Flex Card.

The 100 Day budget had proposed the re-instatement of free swimming for under 16s with a Flex Card (subsequently approved by Council on 24th November). Members reviewed feedback from the consultation with the public on the proposal which showed that of 639 people responding, 67.3% supported the proposal, 21.1% did not support the proposal, 9.9% neither agreed nor disagreed and 1.7% “didn’t know”. Comments ranged from those who supported free swimming for the health and physical activity benefits to those who felt parents should pay for swimming.

There was significant debate about the retention of free swimming, and one view was expressed that it was the responsibility of parents to pay for their children to swim. However, on balance the Committee agreed that free swimming for under 16s should remain for 2012/13 as a continued incentive for children and young people to take part in physical activity. It was felt this should be an inclusive policy so that all young people and families (especially those on low incomes) had equality of opportunity. The long-term health, wellbeing and social benefits were felt to be very important, as well as the safety aspect of making sure as many children as possible are able to swim.

Although not within the control of the Council, Members recommended that where possible the authority should try to influence schools to ensure that all pupils receive at least the minimum requirement for swimming lessons, and that travel to and from the pool should not be included as swimming time.

6.2.2 Concessions for over 60s

The option to review the automatic (non means tested) entitlement for residents over 60s was considered. All over 60s are entitled to free swimming as well as off-peak skating and discounts on other non instructed activities. The most popular activity was swimming with 22,042 admissions during the previous year.

A comparison of 17 local authorities showed that Telford & Wrekin was the only authority to offer a 100% discount on swimming to over 60s. Other authorities offered a partial discount, with the majority (8) offering a 50% discount. Others ranged from 70% (1), 60% (2, but one of those was only for people on pension credit), 35% (3), 33% (1), 25% (1).

Members considered increasing the age of entitlement to 65, more in line with the rising retirement age. Most 60+ admissions (77%) were over 65 which did not leave scope for making meaningful savings from lifting the age of entitlement, and as it would put Telford & Wrekin out of line with other authorities, Members rejected this as an option.

Based on the information provided, the fact that the over 60s concession was not means tested and therefore applied to people who are still working or on reasonable pensions, and that the over 60s population is projected to increase significantly, members agreed that over 60s concessions should be considered as an area for potential savings.

The Committee agreed that whatever model was applied, senior citizens in receipt of Pension Credit would qualify for concessionary status.

6.2.3 Income related discounts

Members were concerned that benefit-based eligibility criteria for concessions were unfair as those on low incomes just over the benefit threshold were expected to pay disproportionately for leisure activities. The possibility of introducing a sliding scale of discounts based on income was discussed, but discounted due to prohibitive level of additional resources that would be required to administer such a complex scheme. It was agreed that although there was an inherent risk of unfairness in the system for people on low incomes, the benefits-based criteria would remain as no viable alternative could be identified.

It was noted that the Flex Card entitles people to a discount on admissions prices and that special offers are run during school holidays to help more people take advantage of services during peak times.

6.2.4 Flex Cards

Flex Cards entitle people to discounts on admissions prices. The annual cost of the standard adult Flex Card is £7.50, with various discounts for eligible groups such as the under 16s, people on benefits, disabled people and students.

Members discussed the option of generating additional income by raising Flex Card charges. Charges for Flex cards were only reintroduced from April 2011 as part of the non staff savings measures and it was therefore felt that a further price increase may deter people from renewing or buying the cards. For these reasons, Members rejected this as an option.

The Committee suggested that a family Flex Card or a “whole package” deal incorporating other sports could be offered, and were pleased to hear that options for this were being explored following the “Active Families” pilot.

6.2.5 Corporate Gym Membership

Members suggested developing a corporate membership package as a way of generating additional income. Corporate membership packages were already offered, and opportunities for expansion into the corporate market were being considered to coincide with the opening of the new facilities at Abraham Darby and Wellington. A number of large and smaller local employers (including the Council) were already signed-up to corporate membership schemes. The Committee supported further marketing and development of the corporate market as a way of increasing revenue.

6.2.6 Marketing of new facilities

The new gym and pool facilities at Abraham Darby and Wellington would provide brand new state of the art facilities and equipment which would easily compete with local private clubs. Members recognised the potential for increasing membership by packaging and promoting the new facilities and were pleased to hear that the marketing strategy was being reviewed.

- 6.3 Having considered the broad range of options, Members requested further detailed modelling reports, focussing on the options for the 60+ age group where it was felt there was scope for making savings.

7.0 OPTIONS APPRAISAL

- 7.1 At the second meeting, Members considered more detailed information and evaluation on the options to remove the automatic concessionary entitlement of the over 60s. The modelling showed that reducing or removing concessions for this group alone was not projected to generate sufficient levels of additional income to bring about the required level of savings, and as such it would be necessary to consider the wider policy for additional options. The range of options modelled is shown in Appendix 1.

- 7.2 Further detailed modelling had been carried out on swimming and health & fitness activities as these had the highest level of concessionary admissions and the potential for the highest level of savings. Estimated projections were based on current admissions numbers. The figures reflected the key relationship between the level of charges and the potential impact on usage and therefore income. This is shown in Appendix 2.
- 7.3 The options modelled for the over 60s showed that automatic concessionary entitlement for the over 60's could still be addressed in a way that reduced the impact upon users and the associated risks, and ensured the consistent application of a defined means testing approach to concessions. New 60+ Flex card applicants could, in order to qualify for concessionary status be required to prove entitlement through receipt of Pension Credit while existing 60+ Flex card holders would retain their concessionary status. It was proposed that that this would reduce the risk of disgruntled customers and loss of existing income but would at the same time address a policy that might be considered to be inconsistent and unsustainable. The estimated additional income was £5k with potential for future growth.
- 7.4 Swimming was currently offered free of charge to concessionary groups and Telford & Wrekin children (the latter would remain unaffected by proposals). A number of options had been modelled based upon balancing potential income returns against the risk of lost custom. The options modelled were full-price, half-price and a flat £1 concessionary charge. It was estimated that introducing a flat £1 charge for concessionary groups could generate a similar amount of income as charging either full or half price given the risk of drop-off resulting from loss of custom. A £1 charge would also ensure that the Council retained a comparatively generous policy. The estimated additional income was £23k.
- 7.5 Unlike swimming, there was an additional risk associated with wholesale changes to health & fitness concessions. In increasing prices, membership may go down and this may actually result in a loss of income. The Council currently operates two levels of concessionary Health & Fitness membership: a historic £16pcm Gym Only membership and £21pcm which includes swimming and exercise classes. From April 2010 the Gym Only membership was closed to new members, 222 memberships remain. The option existed to amalgamate the two concessionary memberships and charge £21.50pcm which would include the added benefits of swimming and classes and would still represent excellent value for money, particularly if the option to introduce a fee for concessionary swimming was introduced. The proposed £21.50pcm package would be available to new 60+ members. The estimated additional income was £14k.
- 7.6 Concessionary groups were entitled to a 20% discount at Horsehay

Village Golf Centre Monday to Friday only. The option existed to remove this concession. The impact of this could be offset by the use of special offers based upon business need. Additionally regular users can benefit from a Direct Debit option. The estimated additional income was £5k.

- 7.7 Concessionary groups were entitled to 15% off swimming lessons. The option existed to remove this concession. Swimming is however considered to be a life skill and it may be that the level of risk outweighs the potential additional income. The estimated additional income was £6k.
- 7.8 Members considered the evaluation of each option in detail. In all options, over 60s in receipt of Pension Credit would still qualify for concessions.

Option 1: Remove automatic concessionary status for over 60s

Estimated potential income (saving)	Swimming income £14k based upon 25% drop off rate Health & Fitness £7k based upon £21pcm Other activities including golf £5k Future additional income from new users £5k
Comments	Insufficient income generation to meet savings target. Participation from over 60's is likely to be disproportionately affected.
Risk	Medium

It was noted that removing concessions for the over 60s alone would not generate the required level of savings, and members considered this option in conjunction with the wider savings proposals put forward. It was felt that withdrawing the concessionary entitlement of this group entirely would present difficulties for people who were accustomed to receiving the benefits and that wholesale withdrawal of entitlement may lead to a loss of reputation to the Council. On balance, Members agreed that the concessionary status should remain for existing over 60s, subject to the entitlement revisions for all concessionary groups recommended in this report.

Option 1 was **rejected** subject to other revisions recommended in this report.

Option 2: Remove automatic concessionary status for new over 60s

Estimated potential income (saving)	£5k, potential to increase given demographic profile
Comments	Limits impact on existing users. Minimises risk to existing usage and income. Addresses existing policy concerns.
Risk	Low

The removal of automatic concessionary status for new over 60s was given a great deal of consideration. The Committee was aware of the potential perception of unfairness amongst new over 60s, but felt that the impact would be limited as people would not miss an entitlement they had never enjoyed. Furthermore, as the over 60s population was projected to increase significantly, there was the potential to increase revenue streams from this group to help sustain high quality services.

Over 60s in receipt of Pensions Credit would still qualify for concessions.

Option 2 was **recommended**.

Option 3: Remove swimming concessions altogether

Estimated potential income (saving)	£25k based upon 75% drop in attendances
Comments	Does not reflect policies of other Councils. Participation from disadvantaged groups is likely to be disproportionately affected.
Risk	High

The full adult admission price for a swim is £3.25. The Committee rejected this option out of hand because of the high risk of drop in admissions, the likely disproportionate impact on disadvantaged groups and the fact that it would put Telford & Wrekin out of line with other authorities.

Option 3 was **rejected**.

Option 4: Introduce a half price charge for swimming for all concessionary groups

Estimated potential income (saving)	£25k based upon 50% reduction
Comments	More closely reflects concessionary policies of other authorities. Participation from disadvantaged groups may be disproportionately affected.
Risk	Medium/High

Option 5: Introduce a flat rate £1 charge for swimming for all concessionary groups

Estimated potential income (saving)	£23k based upon 25% drop off
Comments	Level of concession remains comparatively high. Participation rates likely to be less affected.
Risk	Low/Medium

Options 4 and 5 were considered together to compare a flat £1 charge with a half-price charge of £1.65 for concessionary groups. Members

considered the financial risks of each option. It was assumed that the higher the admission price, the greater the risk of drop in admissions. A 50% drop in admissions for the half-price charge would generate less income (£25,277) than a 10% drop in admissions for the £1 flat fee (£28,073) and only slightly more than a 25% drop for the £1 flat fee (£23,394). It was agreed that the risk of introducing a half-price charge was not worth taking.

It was overwhelmingly agreed that a flat £1 rate would be more affordable and acceptable to the public than £1.65, and that there were psychological barriers to exceeding the “£1” mark. Further, a cautious approach to the pricing structure now would allow flexibility for further refinement in the future should budgets come under further pressure.

Option 4 was **rejected**.

Option 5 was **recommended**.

Option 6: Remove concessions on swimming lessons, currently 15%

Estimated potential income (saving)	£6k
Comments	Level of savings low given potential impact.
Risk	Medium

The Committee rejected this option on the grounds of safety issues and that as much encouragement as possible should be given to children and young people to learn to swim. It was also felt that children having swimming lessons may be more likely to take part in swimming activities continuing through to adulthood.

The Committee again urged that that through the Council’s relationships, schools should be encouraged to ensure that all children receive at least the minimum required swimming lesson time.

Option 6 was **rejected**.

Option 7: Standardise concessionary Health & Fitness memberships to £21.50pcm.

Estimated potential income (saving)	£14k
Comments	Increased cost reflects additional benefits. Provides consistent approach. Still reflects good value. Increase will affect some of our longest standing customers
Risk	Low

The option was to standardise and increase the concessionary gym membership fee. The current monthly fee was £21, but there were still

222 people paying £16 on the legacy Gym Only contracts. Options had been modelled on fee increases to £26pcm and £21.50pcm, with exercise classes and swimming included in membership entitlement.

Members were very conscious of the risks associated with increasing membership fees as this was a main source of income and used to offset activities in other areas. The Council was operating at the value end of the market and had benefited from the recession with an uptake in membership of people looking for better value deals and it was essential that this income stream was protected.

A cost comparison with private clubs had been carried out and monthly fees ranged from £25 at the bottom end for restricted time membership to around £40 per month. Members agreed that an increase in the Council's fee to £26pcm was too high risk and would jeopardise the retention of existing customers and deter new members who may drift to private clubs if the price differential was narrowed too far.

Members did however agree that an increase of £0.50 per month to £21.50 was acceptable, especially given the additional benefits of exercise classes and swimming and with the new state of the art facilities coming on stream at Abraham Darby and Wellington, and that this price would continue to offer great value for customers. It was also agreed that it was fair to standardise fees, and that customers on the old £16pcm contracts should be lifted to the new £21.50 fee.

Option 7 was **recommended**.

Option 8: Remove concessions on Golf for all groups

Estimated potential income (saving)	£5k
Comments	The option exists for regular players to take out a Direct Debit option which offers value for money
Risk	Low

The Committee agreed that the concessionary discount should be removed as golf tended to attract more affluent people and fewer people would be affected. It was noted that Horsehay Village Golf Centre was an excellent facility and Members urged that ways of generating additional income from this asset should be explored.

Option 8 was **recommended**.

8.0 ARTHOG REMISSIONS POLICY

- 8.1 In addition to the leisure concessions policy, members also considered the Remissions Policy for Arthog. The review was triggered by a recent complaint from a Telford & Wrekin parent who had raised concerns in

respect of the fact that they considered it unfair that pupils were either required to pay the full fee or nothing

- 8.2 Arthog Outdoor Education Centre primarily provides residential outdoor education opportunities for schools. The current cost of a 5 day residential course for Telford & Wrekin pupil ranges from £228 to £263 depending upon the term.
- 8.3 The Council operates a Remissions Policy whereby the Council fully subsidises the cost of the course for children of families verified as meeting the remissions criteria (Free School Meals, Income Support, Working Tax Credits). In 2010/11 the Council funded 514 pupil places through the scheme. The purpose of the Remissions Policy is to ensure that no child should be denied access to Arthog because of financial hardship.
- 8.4 Members considered two options for revising the Remissions Policy:
 - 8.4.1 To reduce the level of subsidy per pupil and require a partial contribution, for example £50, from families meeting the eligibility criteria. Members were very concerned that the introduction of even a partial charge would risk excluding children from disadvantaged families from taking part in the course and that this risk should be avoided. The consequent financial impact on the Arthog remissions budget was also noted. For these reasons this change was not agreed.
 - 8.4.2 To introduce a sliding scale of entitlement linked to wholly or partially funded places based on ability to pay. It was agreed that such a scheme would be difficult and expensive to administer and complicated for parents and schools, and for these reasons was not considered a feasible option. It was regretfully acknowledged that no matter what system is in place to help disadvantaged families, there would always be families who fall just outside the criteria but that a realistic line had to be drawn.
- 8.5 It was acknowledged that schools also offer additional localised arrangements financed through their own budgets dependent upon specific circumstances, and also noted that no other complaints had been received about the Policy in previous years.
- 8.6 After weighing up the information provided and the potential risks and costs of amending the Remissions Policy, the Committee agreed that the existing Policy should remain in place.

9.0 CONCLUSIONS AND SUMMARY OF RECOMMENDATIONS

- 9.1 Whilst reducing concessions entitlements for leisure is regrettable, the

Scrutiny Committee acknowledged that in the current financial climate changes to the policy were unavoidable if the necessary savings are to be made.

- 9.2 In undertaking this review, Members were mindful of several concerns:
- That savings of £50k from a review of concessions for 2012/13 needed to be found
 - The desire to protect the most vulnerable and people on benefits
 - The desire to minimise the impact of any revisions as far as possible
 - The need to minimise the risk to income streams which would jeopardise services in the long-term
- 9.3 With these concerns in mind, the Co-operative & Communities Scrutiny Committee is making the following recommendations:
- 9.3.1 To remove the automatic concessionary status for new over 60s except for those in receipt of Pensions Credit**
- Estimated potential income (saving) - £5k with potential to increase with demographic changes.
- 9.3.2 To introduce a flat rate £1 charge for swimming for all concessionary groups**
- Estimated potential income (saving) - £23k assuming a 25% drop in admissions.
- 9.3.3 To standardise and increase concessionary Health & Fitness memberships to £21.50pcm for all members**
- Estimated potential income (savings) - £14k
- 9.3.4 To remove concessions on golf for all groups**
- Estimated potential income (savings) - £5k
- 9.3.5 That the existing Arthog Remissions Policy is retained.**
- 9.4 The total estimated potential income (savings) from the combined recommendations is £47k. This falls just short of the required £50k savings, but the Committee felt there was sufficient scope within the recommendations to exceed the estimates (for example on the removal of the new over 60s concessions) and from other on-going efforts to generate additional income.
- 9.5 An Equalities Impact Assessment of the recommended options will be carried out and reported back to the Scrutiny Committee.

10. EQUAL OPPORTUNITIES

An Equalities Impact Assessment will be carried out on the recommended options.

11. ENVIRONMENTAL IMPACT

There are no specific environmental implications arising from this report.

12. LEGAL COMMENT

As stated in the report, the provision of leisure services is a non statutory function. Any decision in respect of concessions should be reasonable and balanced. An Equalities Impact Assessment will inform Members of any equalities issues that need to be considered. As with any decision made by Members in respect of Council policy, there is the potential for such a decision to be challenged by way of Judicial Review; however, as long as Members have made a reasonable decision based on all relevant facts then any challenge should be capable of being successfully defended.

13. LINKS WITH CORPORATE PRIORITIES

The recommendations link to the priority to make the required level of budget savings in 2012/13, and to protect leisure services over the long-term for the health and well being benefit of residents.

14. OPPORTUNITIES AND RISKS

There is a risk of loss of income resulting from lower admissions as a result of changes to the policy, but the recommendations take a cautious approach to reduce the risks as far as possible.

The review highlighted opportunities for increasing revenue streams from the promotion of new facilities, the potential growth in the new over 60s market and expansion into the corporate market.

15. FINANCIAL IMPLICATIONS

The proposed Service & Financial Planning Strategy for 2012/13 to 2014/15 was presented to Cabinet on the 22 December and is now in a consultation period with final decisions due to be taken at Council on 1st March 2012. It contains savings proposals totalling £50k in respect of additional income generated following changes to the Leisure

concessions policy (as per Appendix 7 of the budget papers saving number 9). The review of concessions currently available has resulted in 4 proposed amendments to the concessions policy which will achieve estimated additional income of £47k. Clearly this will meet the majority of the £50k savings target and it is anticipated that the shortfall will be met through further additional income.

The calculation of savings generated from changes to the concessions policy contains assumptions around the impact on usage figures. Should usage fall below the levels predicted then income targets will not be achieved. This will be monitored and reported as part of financial monitoring throughout 2012/13.

MLB 16.12.11

16. WARD IMPLICATIONS

The concessions policy is borough-wide.

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Appendix 1 – Options

Option	Estimated Potential Income (Saving)	Comments	Risk
Remove automatic concessionary status for over 60's. Over 60's entitled to Pension Credit would still qualify for concessions.	Swimming income £14k based upon 25% drop off rate. Health & Fitness £7k based upon (£21pcm) Other activities inc Golf £5k Future additional income from new users £5k	Insufficient income generation to meet savings target Participation from over 60's is likely to be disproportionately affected.	Med
Remove automatic concessionary status for new over 60's. Over 60's entitled to Pension Credit would still qualify for concessions.	£5k, potential to increase given demographic profile	Limits impact on existing users. Minimises risk to existing usage and income. Addresses existing policy concerns.	Low
Remove swimming concessions altogether	£25k based upon 75% drop in attendances	Doesn't reflect policies of other Councils. Participation from disadvantaged groups is likely to be disproportionately affected.	High
Introduce a half price charge swimming charge for all concessionary groups	£25k based upon 50% reduction	More closely reflects concessionary policies of other authorities. Participation from disadvantaged groups is likely may be disproportionately affected.	Med/ High
Introduce a flat rate £1 charge for swimming for all concessionary groups	£23k based upon 25% drop off	Level of concession remains comparatively high. Participation rates likely to be less affected.	Low/ Med
Remove concessions on swimming lessons,	£6k	Level of savings low given potential impact.	Med

currently 15%			
Standardise concessionary Health & Fitness memberships to £21.50pcm.	£14k	<p>Increased cost reflects additional benefits.</p> <p>Provides consistent approach. Still reflects good value.</p> <p>Increase will affect some of our longest standing customers.</p>	Low
Remove concessions on Golf for all groups	£5k	The option exists for regular players to take out a Direct Debit option which offers value for money.	Low