

REPORT TO CULTURE AND SPORT SUB-COMMITTEE – 27 FEBRUARY 2020

ANNUAL PRICE INCREASE

1 Reason for Report / Summary

- 1.1 To inform the Sub Committee of the annual price increase for 20/21 and obtain permission for a number of variations from the annual increase.

2 Recommendations

The Committee is recommended to:

- 2.1 **Agree proposals to hold the direct debit price for the Learn to Swim scheme as detailed in section 4.5**
- 2.2 **Agree to standardize the concession for groups that are restricted in their ability to earn an income at 40% as detailed in section 4.9**
- 2.3 **Note and endorse the proposals for facility managers to be encouraged to identify times where locally targeted prices can be introduced to boost income and usage, often in partnership with other organisations.**

3 Purpose and Decision-Making Route

- 3.1 If the recommendations are agreed officers will implement price increases for individuals across all services from April 1, 2020. Price increases for regular users (sports and cultural groups) will increase from August 1, 2020 in line with most organisations seasons or links with the education term.

4 Discussion

- 4.1 The current LLA pricing policy commenced in April 2017 following agreement in 16/17 with the Education and Children's Services Committee; the Communities Committee and the Infrastructure Services Committee. It was recognised at the time that several groups would encounter significant price increases – which would be phased in over a number of years, with full implementation expected by April 2020. All subsequent changes to pricing policy have been considered and agreed by this committee in accordance with the scheme of governance.
- 4.2 At its meeting on March 6, 2019, this committee agreed a number of variations to the existing pricing policy, one of which was that no price would be increased by more than 3.5%. An outcome of this change was that the process of phased price rises for some groups (particularly impacting on younger people and people over 60) was curtailed.
- 4.3 Live Life Aberdeenshire is mandated to review its charging policies in line with Aberdeenshire Council's Corporate Charging Framework – with a subsequent new policy then due for consideration and implementation in the coming

financial year. It is expected that this process would allow for a detailed consideration of policy and how a future change can assist in meeting both strategic objectives and income targets.

- 4.4 Current Council policy is that all prices will increase by an increment to allow for a cost of living increase, which for 2020/21 has been advised as 3%. Through this process the service is expected to generate additional income to the value of £198,000 across all service areas.
- 4.5 Mindful of the impending wider ranging review, officers are not recommending significant deviations from the corporate policy of an inflationary increment of 3%. However, the following table highlights an area and rationale where officers feel an adaption to the standard policy would benefit Live Life Aberdeenshire and customers.

area	Description	Rationale
Learn to Swim	Retain Direct debit price at £18, though standard payment would increase from £5.70 to £5.90	Holding the direct debit price would continue the process of encouraging users to commit to direct debit payments which has subsequent positive impacts on both attendance, additional usage and income.

- 4.6 Current pricing policy allowed for low income groups to access a 60% discount off standard rates. This discount has been fully implemented.
- 4.7 It was also agreed that groups who could evidence restrictions to their ability to earn an income (predominantly young people but also including groups such as full-time students under 25) would be eligible to a 30% discount of standard prices. This concession rate has not been fully phased in which has led to a range of different prices for a number of groups, leading to some customer confusion.
- 4.8 A number of user groups were due to have their entitlement to a discount phased out, this included people over 60 (not deemed to be on a low income), people entitled to Disability Living Allowance and holders of a Young Scot card aged between 18- 25. Again, as this phasing process is incomplete, this has led to a further complicated set of prices for these groups.
- 4.9 Officers propose to rationalise all discounts unrelated to low income users into one. This discount would allow qualifying individuals to access a 40% discount off the standard price (40% being average current discount for groups affected). Eligibility for this discount would be predicated on the assumption that users have limited ability to access full time income. Appendix 1 to this document details exactly who would be eligible for either discount. It should be noted that standardising the discount will mean in some instances users incur a price rise of less than 3%, in other cases they may incur a slightly higher rate than 3%.

- 4.10 There would be a small minority of user groups who would not qualify for either a low-income discount or a discount based around limited ability to earn an income. In such cases users would be asked to pay the standard fee, as per the 2017 pricing policy.
- 4.11 Feedback from facility managers has been that there are a range of times (some of which are seasonal) where usage is light but there are opportunities to develop targeted markets outwith of the standard pricing structure – sometimes on a pilot basis often working with local partners. Examples of such ideas are:
- Reduced price swimming during holiday time for children / families
 - Reduced price badminton court hire during the daytime in the summer
 - Targeting low income communities for culture and sport services in partnership with other council departments.
 - Targeting groups with very specific health needs in partnership with NHS Grampian.
 - Swim for a £1 on a Friday afternoon (in certain pools).
- 4.12 Although financial regulations do allow for the Head of Service to vary prices from standard in some circumstances, officers would like to specifically task every facility with identifying a range of suitable times where they will be encouraged to generate additional income through a range of activities offered on a promotional basis to groups that are not perceived to currently be regular users. There is no intention to be proscriptive in this but in each case, facility managers will be encouraged to use their local knowledge to maximise community benefits, new usage and income as a result of this exercise. It is the intention of the Head of Service to sub-delegate powers relating to promotional pricing to facility managers during these identified times.

5 Council Priorities, Implications and Risk

- 5.1 This report helps deliver Council Priority 5 - Encourage active lifestyles and promote well-being with a focus on obesity and mental health. It also assists with priority 9- delivering responsible long-term financial planning.
- 5.2 This report is also integral to the delivery of the 10-year Cultural Strategy and Sport and Physical Activity Strategy - specifically the objectives relating to the promotion of mental and physical good health and wellbeing.
- 5.3 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial		X	
Staffing		X	
Equalities		X	
Fairer Scotland Duty		X	
Town Centre First		X	
Sustainability		X	

Children and Young People's Rights and Wellbeing		X	
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5.4 The table above does not highlight any risks. However it should be noted that:

- It is expected that the annual price increment will ensure that standard price rises generate £198,000 in additional revenue. It should also be noted that the mandate to encourage facility managers to generate additional usage (with promotional pricing) is expected to have an additional positive benefit on income by virtue of encouraging extra usage when capacity is available.
- The proposed adaptations to the concessions policy are not designed to significantly change prices charged to any group – but should ensure a consistent rationale for concession pricing.

5.5 An equality impact assessment is enclosed as Appendix 2 to this report.

5.6 The following Risks have been identified as relevant to this matter on a Corporate Level:

- ACORP 1 - Budget setting process/Budget management at various level.

No risks have been identified as relevant to this matter on a Directorate Level.

6 Scheme of Governance

6.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

6.2 The Sub-Committee can consider and make a decision under section 3.1 of the Terms of Reference which gives the Sub-Committee powers to decide on all policy issues and resource matters pertaining to sport and culture.

Laurence Findlay
Director of Education & Children's Services

Report prepared by: Tim Stephen, Service Manager, Facilities and Funding
Date: February 11, 2020

Appendix 1. - Concession eligibility - Live Life Aberdeenshire.

Low Income Concession – 60% off standard rate.

Qualification for the above can be evidenced through eligibility for one or more of the following:

- Council Tax Reduction (does not include single person discount)
- Housing Benefit
- Employment Support Allowance
- Income Support
- Universal Credit
- Jobseekers Allowance
- Pension Credit (guaranteed credit only)
- Carers Allowance.

Restricted ability to earn an income – 40% off standard rate.

Qualification for the above can be evidenced through demonstrating one of the following:

- Aged between 6 and 18 inclusive
- Being over 60.
- In full time education and aged 25 or under.

Groups who are not charged for using facilities.

- Looked after children and care leavers.
- Under 5's (with the exception of the Aquarium where under 3's are not charged).

Groups not eligible for a discount.

The following groups would not automatically qualify for a discount if they are in receipt of the following:

- Disability Living Allowance (DLA)
- Personal Independent Payment (PiP)
- Young Scot Card Holders aged between 19 and 25.

However, recipients of the above will qualify for a discount if they are in receipt of any other qualifying benefits.

EQUALITY IMPACT ASSESSMENT

EIA Version	Date	Author	Changes
1	10/02/20	T Stephen	EIA Creation

Stage 1: Title and aims of the activity (“activity” is an umbrella term covering policies, procedures, guidance and decisions including those that affect services the council delivers).

Service	Live Life Aberdeenshire
Section	Facilities and Funding
Title of the activity etc.	Annual Price changes
Aims and desired outcomes of the activity	Adapting annual prices to reflect cost of living increase
Author(s) & Title(s)	Tim Stephen, Facilities and Funding Manager

Stage 2: List the evidence that has been used in this assessment and explain what it means in relation to the activity you are assessing.

Evidence	What does it say?	What does it mean?
Internal data Usage, income and performance information.	Highlights existing pricing and usage data	Shows link between usage and price
Internal consultation with staff and other services affected.	Recognised that there are off peak times for operational services. Tis can vary between geographic sites	Opportunity for development of targeted services for specific groups
External consultation (partner organisations, community groups, and councils.		

External data (census, available statistics).		
Other (general information as appropriate).		

Stage 3: Evidence Gaps.	
Are there any gaps in the information you currently hold?	None known

Stage 4: Measures to fill the evidence gaps.		
What measures will be taken to fill the information gaps before the activity is implemented? These should be included in the action plan at the back of this form.	Measures:	Timescale:

Stage 5: What steps can be taken to promote good relations between various groups/areas?	
These should be included in the action plan.	Not Applicable

Stage 6: How does the policy/activity create opportunities for advancing equality of opportunity?
In itself it is an annual price increment. However officers use the opportunity to identify if there are opportunities to slightly amend prices to both minimise impact on users, and in some cases increase usage by some groups – and in this case look at possibilities for targeted pricing opportunities which may improve access by groups.

Stage 7a: Are there potential impacts on protected groups?				
	Positive	Negative	Neutral	Unknown
Age – Younger/Older	Yes			
Age - Older	Yes			
Disability				Unknown
Race – (includes Gypsy Travellers)			Neutral	
Religion or Belief			Neutral	
Sex (Gender)			Neutral	
Pregnancy and maternity			Neutral	
Sexual orientation – (includes Lesbian/ Gay/Bisexual)			Neutral	
Gender reassignment – (includes Transgender)			Neutral	
Marriage and Civil Partnership			Neutral	

Stage 7b: Do you have evidence or reason to believe that this policy, activity etc. will or may impact on socio-economic inequalities?				
<p>No reason to believe this – but we are aware of the risks involved in offering up certain times for promotional pricing – In that groups who cannot access at these times or do not qualify may feel that this is unfair.</p> <p>Please complete by inserting “yes” in the applicable box/boxes below.</p>				
Socio-economic disadvantage	Positive	Negative	Neutral	Unknown

Pockets: Low income/income poverty – cannot afford to maintain regular payments such as bills, food, clothing	Yes			
Pockets: Low and/or no wealth – enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	Yes			
Pockets: Material deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure and hobbies	Yes			
Place: Area deprivation – where you live, where you work	Yes			
Prospects: Socioeconomic background – social class i.e. parents education, employment and income , educational achievement.	Yes			

Stage 8: What are the positive and negative impacts?		
Impacts.	Positive (describe the impact for each of the protected characteristics affected)	Negative (describe the impact for each of the protected characteristics affected)
Please detail the potential positive and/or negative impacts you have highlighted above.	Age (Younger and older) Continued ability to access a stable discount	Young Scot card holders aged 19 – 25 will lose an automatic entitlement to a discount

Detail the impacts and describe those affected.	<p>Disability</p> <p>People qualifying for low income benefits will be able to continue to access a stable price discount.</p> <p>Staff may be able to offer more targeted services at people who have a health need.</p>	Disabled people on some benefits (PiP and DLA) will incur a price increase.
	<p>General.</p> <p>Facility managers will be encouraged to target affordable activities at accessible times to groups identified in 7b -improving access to services.</p>	

Stage 9: Have any of the affected groups/areas been involved, engaged with or consulted?	
If yes, please give details of how this was done and what the results were. If no, how have you ensured that you can make an informed decision about mitigating steps?	There was initial consultation in 2017 – when the decision was taken to phase out concessions for a number of groups. In 19/20 these groups benefitted from a decision to freeze all phasing in of price increases.

Stage 10: What mitigating steps will be taken to remove or reduce negative impacts?		
These should be included in any action plan at the back of this form.	Mitigating Steps	Timescale
	Publicise in advance new prices,	From March 1, 2020
	Make it clear that users may qualify for discounts through a number of other processes. As an example if a Young Scot cardholder is in FT education – they would still qualify for a 40% reduction.	From March 1, 2020

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Stage 11: What monitoring arrangements will be put in place? How the EIA will be used to monitor the proposal	
These should be included in any action plan (for example customer satisfaction questionnaires).	Staff will be asked to monitor feedback on price changes and identify times where promotional pricing can be implemented.

Stage 12: What is the outcome of the Assessment?		
Please complete the appropriate box/boxes	1	No negative impacts have been identified –please explain.
	2	Negative Impacts have been identified, these can be mitigated - please explain. * Please fill in Stage 13 if this option is chosen.
	A small number of users will incur price rises outwith of inflation – as qualifying factors (i.e Personal Independence Payment / Having a Young Scot Card) are not directly linked to financial means. However where recipients qualify for other benefits linked either to being low income or due to a restricted ability to earn an income – they will still qualify for a discount.	
	3	The activity will have negative impacts which cannot be mitigated fully – please explain. * Please fill in Stage 13 if this option is chosen

* Stage 13: Set out the justification that the activity can and should go ahead despite the negative impact.
<p>Prie chages need to go ahead to reflect the cost of living increase. The act of streamlining the concession system will make it easier to understand and be fairer to all concerned.</p>

Stage 14: Sign off and authorisation.				
Sign off and authorisation.	1) Service and Team	Live Life Aberdeenshire (all services) but particularly Sport and Physical Activity services		
	2) Title of Policy/Activity	'Annual price Changes'		
	3) Authors: I/We have completed the equality impact assessment for this policy/activity.	Name: Tim Stephen Position: SM facilities and Funding Date: 10/02/20 Signature:	Name: Position: Date: Signature:	
		Name: Position: Activity Date: Signature:	Name: Position: Date: Signature:	
	4) Consultation with Service Manager	Name: Date:		
	5) Authorisation by Director or Head of Service	Name: Avril Nicol Position: Interim Head of Service, Live Life Aberdeenshire Date: 11/02/20	Name: Position: Date:	
	6) If the EIA relates to a matter that has to go before a Committee, Committee report author sends the Committee Report and this form, and any supporting assessment documents, to the Officers responsible for monitoring and the Committee Officer of the relevant Committee.			Date:
	7) EIA author sends a copy of the finalised form to: equalities@aberdeenshire.gov.uk			Date:

