

REPORT TO COMMUNITIES COMMITTEE– 18 FEBRUARY 2021

LIVE LIFE ABERDEENSHIRE PRICING UPDATE

1 Reason for Report / Summary

- 1.1 To outline progress on the interim approach for pricing, suggest an ongoing approach reflecting the existing pandemic circumstances and outline the future approach to a pricing strategy working in tandem with Education.

2 Recommendations

The Committee is recommended to:

- 2.1 Continue to endorse the flexible approach to pricing for LLA products and services that has been taken since October 2020 and continue with the agreement to delegate authority to the Head of Live Life Aberdeenshire to approve pricing changes without referring back to Communities Committee until 31st August 2021.**
- 2.2 Agree that the Head of Live Life Aberdeenshire can defer any annual price rise typically implemented on April 1 on a product by product basis until 31st August 2021.**
- 2.3 Endorse the approach and timescale for the formal charges review as detailed in section 4.7 of this report.**
- 2.4 Endorse the approach of fully harmonising both the LLA and Education prices.**

3 Purpose and Decision-Making Route

- 3.1 This committee endorsed and agreed a flexible approach to LLA pricing at its meeting on November 5, 2020 until March 31, 2021. Key aspects of this flexibility were:
- An ability for officers to reduce prices for services, either to reflect their availability during the pandemic, or because they were significantly adapted services.
 - An ability to encourage low income and targeted groups into facilities in partnership with other agencies (e.g. NHS).
 - Suspension of existing membership scheme and subsequent quick replacement with new COVID appropriate scheme appropriately priced.
 - Additional charges for user groups to reflect additional costs incurred or where opening a facility for one group was not viable within the existing pricing schedule.
- 3.2 It was emphasised that this approach, whilst exceptional, was within the scope of both the existing pricing policy and the Corporate charging framework.

Officers also committed to bringing an update report to this committee prior to the end of the financial year.

- 3.3 Recent national legislation pertaining to national lockdown commencing from December 26,2020 has meant that the majority of Live Life Aberdeenshire services have stopped – with the exception of services delivered through the Live Life at home initiative. Whilst LLA will be ready to commence delivery as soon as legislation and good practice dictates this is possible, at the time of writing this is not anticipated until at least March. This report, therefore, includes an assessment of data from the third quarter of the current financial year being the pertinent time period to the existing charging regime.
- 3.4 The council's charging policy requires a formal charging review every three years, with the LLA and ECS review having been due this financial year. Management of the pandemic has made this review impractical in 20/21 though this report will highlight an indicative timetable for this review in 21/22.
- 3.5 Both the Education and Communities Committee are in the process of considering the Education Service charging policy, with specific reference to formally linking the LLA and ECS charging policies together as part of the annual review. Should both committees endorse this approach, it is anticipated that the review of charges would be a combined ECS / LLA one.

4 Discussion

Review of Current Charging Policy

- 4.1 Live Life Aberdeenshire adopted an approach of reintroduction of services in line with government guidance, although in most service areas facilities opened on a stepped basis which allowed staff to continue supporting pandemic relief efforts where appropriate.
- 4.2 The Table below gives information on usage and income generated in the third quarter – with comparator information to the preceding year. Information relates to Sport, Library and Cultural services.

	Quarter 3 2020	Estimate for Qtr. 3 (made Aug 2020)	% Change	Quarter 3 2019	% Change
Participation	392,000	N/A	N/A	1,053,000	-63%
Membership	9,000	N/A	N/A	31,000	-71%
Income	£542,000	£368,000	47%	£1,446,000	-63%

- 4.3 Some key observations to note are:

- Although income levels for this period are only 37% of the levels of the preceding year, they are significantly better than originally forecast in August 2020, overachieving by nearly 50%. Adaptions to the pricing strategy have

been important to this in that they have allowed LLA to amend prices to meet demand, in particular membership and Learn to Swim Prices. An ability to change prices quickly has also been an important factor in this – as an example the ability to offer a parent / child swim ‘bubble’ at the same price as a family swim when it became possible to do so was helpful.

- Although membership levels (9,000) are far lower than normal, this ‘new’ base has been built up from virtually zero in September 2020, in an environment where customers were still reticent to leave their homes.
- The ability to pass on some additional charges to group users has enabled LLA to open facilities when they would otherwise have been unviable and deliver services. Whilst this did cause some understandable concern from some groups – there is an acceptance that some extra costs to ensure facilities remain open is preferable to facilities remaining closed at certain times for groups.
- Macduff Marine Aquarium generated more revenue in this period than the same period in 2019. Although this can be partially explained by reduced competition – the facility maximized use of flexible pricing and the pre-booking mandate to operate successfully in this period. Lessons learnt as a result are expected to enhance income and usage at the facility post pandemic.
- Income and usage for the quarter was broadly on an upward trajectory (albeit slowed by the festive season)

4.4 LLA anticipated undertaking more targeted work and further developing services with appropriate pricing in the last quarter, which officers believe would have continued the upward trajectory of income and usage for the fourth quarter. Despite the disappointment of currently being unable to do this, LLA has a plan and process which enables it to react quickly to national guidance depending on what Coronavirus alert level Aberdeenshire is in at any one time, and looks forward to being able to reintroduce physical services as soon as appropriate to complement the ongoing virtual services.

4.5 Having considered the current circumstances, including the likelihood of phasing in LLA services during the 1st and 2nd quarters of 2021/22 – officers consider that a continuation of the current flexible charging policy would ensure LLA can develop its services, meet the ongoing challenges of the pandemic and maximise opportunities for promoting physical and mental health and wellbeing in a safe manner.

4.6 There is a requirement within the corporate charging policy for LLA to implement an annual inflationary increase on April 1. Officers recommend that the ability to defer this increase for specific services be delegated to the Head of Service for LLA. It is anticipated that the Head of Service would only take this action where this would have a positive impact on income and /or usage that would justify holding this price at current level.

Formal Three-year Policy Review.

- 4.7 LLA would like to undertake the formal review of its pricing policy in 2021, with a view to implementation from April 1, 2022. An indicative timescale for this review would be:

April / May	Financial assessment of existing services to identify full cost recovery rates.
April / May	Benchmarking of prices with other Scottish and UK authorities.
May / June	Review of existing concession prices and eligibility
May / June	Engagement with regular user groups and existing customers
May / June	Engagement with non-user groups, to include links with tenant associations and protected groups.
May/ June	Workshops with area committees
July / August	Analysis of data and finalisation of Equality Impact Assessment.
September - October	Formal engagement with area committees and ECS Committee
January	Final Report to Communities Committee
February - March	Communication of new policy to customers.
April 2022	Implementation of new policy.

- 4.8 The review of existing concession prices and eligibility would include consideration of reduced-price access for specific groups which the Council has given a commitment to support, for example Veterans groups. In addition, there will be consideration of both a discount scheme for Live Life Aberdeenshire staff and wider Aberdeenshire Council staff. This committee may wish to note that its likely some pilot charging schemes for such groups may be trialled in 2021. Officers are cognisant of the need for a concession scheme to be both targeted and easy to understand.
- 4.9 The above timescale may be impacted by the ongoing effort to manage the coronavirus pandemic, in which case officers will provide an update report to this committee with a revised timescale prior to the 2021 recess.
- 4.10 This committee may wish to note that six LLA facilities, including some of the larger standalone sports facilities, have been requisitioned as vaccination centres for a period of 6 months. Whilst it is hoped that these facilities will still be able to deliver services alongside vaccination in the 1st quarter of 2021/22 – customer engagement has been extended until September to enable the service to engage with users traditionally served by these facilities in the 2nd qtr of 21/22.

Linkage with Education Charging System

- 4.11 Although the Education charging system is separate to the LLA system, they have traditionally enjoyed a number of commonalities, in particular:

- The same approach to concession pricing
- The same approach to the pricing of facility space hire (the core education product).
- The same approach to charges for external facilities.

4.12 The Education Committee, at its meeting on January 28,2021, agreed that Education prices should be fully harmonised with LLA’s. Education are committed to continuing to work collaboratively with LLA to develop a single approach to charging. Part of this approach will be an assessment of existing administration with a view to working towards a ‘one stop shop’ booking approach. This will reduce a number of anomalies with include:

- Inflationary increases implemented at different times of the year.
- Minor variations in prices.
- Confusion for customers in understanding booking procedures.

It is expected that the full harmonising of costs and administrative systems has the capacity to generate both financial and human resource efficiencies whilst improving the quality of service.

5 Council Priorities, Implications and Risk

5.1 This report will impact on the following council pillars and priorities:

<i>Pillar</i>	<i>Priority</i>
<i>Our People</i>	<i>Education Health & Wellbeing</i>
<p>This report will significantly impact on our people, many of whom are reliant on LLA services for physical and mental wellbeing – either directly through services delivered in our facilities or indirectly through support from LLA officers in developing clubs, local services and increasingly outdoor opportunities.</p> <p>We also recognize the importance of our services and their charges to education either in the curriculum (as an example where LLA provides services and/or facilities to schools) or for informal learning through community groups.</p>	
<i>Our Environment</i>	<i>Infrastructure Resilient Communities</i>

The LLA charging policy links to the ability of the service to fund its future capital investment programme by ensuring the service is sustainable.

Many of our communities are reliant on LLA facilities and services to maintain and develop their locally delivered services. Pricing of these facilities can impact of the ability of communities to develop their own resilience, and this can vary between communities.

<i>Our Economy</i>	<i>Economy & Enterprise Estate Modernisation</i>
Charges are a key component in attracting events to Aberdeenshire, which can have a direct impact on local economies.	

5.2 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		

- Continuing the flexible approach to pricing is expected to allow LLA to react quickly to national guidance pertaining to the ability to re-commence service delivery in the current environment. This approach will enable LLA to maximise the physical and mental health benefits that can be delivered through our services to residents in the immediate future whilst also allowing the service to regenerate income streams in a pandemic environment.
- In the longer term, changing the price structure can both directly impact on income generated, as a result of prices paid, as well as having an indirect (but significant) indirect impact due to changes in frequency of customer visits. Officers will consider the impact of any proposed changes in the upcoming review in terms of both income generated and impact on customer usage.
- If charging and administration systems are harmonised, there will be staffing efficiencies that are expected to be managed through the development of additional income generating services which will require administrative resources.

5.3 An equality impact assessment has been carried out as part of the development of the proposals set out above and is enclosed as appendix 1 to this report. It is anticipated that the flexible approach will enhance the ability of LLA to meet both the immediate needs of protected groups as well as assist all sectors of the population in a pandemic environment – acknowledging that this creates a unique and ever-changing set of circumstances. An equality assessment process will be a key aspect of the future charging review and will be a cornerstone of all future engagement outlined in section 4.7.

5.4 It is anticipated that the flexible approach to charging will minimise risks to Aberdeenshire Council at a corporate, directorate and service level. It is, however, recognised that the ability to have a flexible pricing system comes with the responsibility of constantly assessing political financial and reputational risks and ensuring members are kept informed of significant price variations.

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 Committee is able to consider and take a decision on this item in terms of Section D.6.6.1 (ensure the adequate provision, development and support of facilities), D 6.6.4 (exercise the functions and duties of the Council to ensure the adequate provision, development and support of facilities for cultural and social activities) and D 6.6.7 (determine appropriate promotional initiatives) of the List of Committee Powers in Part 2A of the Scheme of Governance.

Laurence Findlay Director of Education & Children's Services

Report prepared by: Tim Stephen, Service Manager - Operations - Live Life
Aberdeenshire.

Date: January 16, 2021

Appendix 1 – Equality Impact assessment



EQUALITY IMPACT ASSESSMENT

EIA Version	Date	Author	Changes
1	15/01/2021	Tim Stephen	

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	Education and Children’s Services
Section	Live Life Aberdeenshire
Title of the activity etc.	Pricing of LLA services for the period March 21 – August 21
Aims and desired outcomes of the activity	Ensure that services are accessible by users recognising the impact of the pandemic
Author(s) & Title(s)	Tim Stephen, Service Manager, Facilities and Funding

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?
Customer feedback	<p>Predominantly that price is not a key factor in accessing services, key issues are more related to new means of access (lack of changing rooms, need to pay by internet and reduced capacity).</p> <p>There have been some concerns raised about the lack of direct debit price for monthly membership. – though this has been remedied (December 20)</p> <p>There have also been some concerns about the lack of access to concessions – although no changes have been made to the existing policy</p>	<p>Key issues are:</p> <ul style="list-style-type: none"> - Concern about long term ability to access facilities owing to the pandemic - A demand to be able to access Health and Wellbeing services. - A degree of frustration at the reduced availability of services - Some financial concerns, potentially amongst groups whose job prospects are impacted by the current pandemic.

Internal consultation with staff.	<p>Staff are enthusiastic about the provision of services, but keen to have clear guidance on protocols in regard to internet booking only and limiting staff contact.</p> <p>Some concerns raised about the willingness of some 'markets' to return following current lockdown</p>	<p>Staff are keen to deliver but concerned about impact of new measures on existing customers.</p> <p>Staff want to be able to attract back existing customers.</p>
External consultation - NGB's, User Groups etc.	<p>Groups have been requesting information on availability and safe means of operating.</p> <p>In some instances, groups have highlighted a willingness to contribute extra to access facilities when they may otherwise be closed</p>	Groups are currently more concerned about access to facilities than price
External data	<p>LLA read feedback from sportscotland but there has been limited data specific to sports facilities since facilities have been allowed to reopen.</p> <p>The current 'lockdown' has also meant that facilities cannot deliver usual services until further notice.</p>	
Other (general information as appropriate).	It should be noted that a lot of the access restrictions (not including price) have been (and will continue to be) proscribed by National Govt and via National governing bodies of sport – and are therefore not negotiable.	Projecting what services can be delivered and 'when' is currently not accurately possible.

Stage 3: Evidence Gaps.

Are there any gaps in the information you currently hold?	<p>This report is designed to assist with a unique situation over a relatively short time period, where there is the potential for a number of variables to impact delivery of service at any time.</p> <p>This report has been commissioned particularly because we recognise there will be gaps in provision/ information during this unique period – and having the flexibility to address them as they arise will assist the service.</p>
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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:
	Ongoing feedback from customer via social media, customer comments and site feedback	commenced
	Feedback from the Health and Social Care Partnership	commenced

Stage 5: What steps can be taken to promote good relations between various groups/areas?	
These should be included in the action plan.	<p>Ongoing communication about services, prices and promotions via:</p> <ul style="list-style-type: none"> - Our website - Our Social Media sites - Through partners <p>Note – there are limited opportunities to publicise services at sites due to the need to discourage waiting and staying at facilities – though staff will do their best to make users aware.</p>

Stage 6: How does the policy/activity create opportunities for advancing equality of opportunity?
<p>Policy allows us to:</p> <ol style="list-style-type: none"> 1. Offer targeted promotions to specific groups as the need arises. 2. Manage access to facilities through discouraging ‘very heavy use’ by some customers to ensure there is space for all users. 3. Offer an appropriate membership package which is both affordable and does not encourage travel. 4. Allows easy opportunity to work with H & SCP to target people with an acute health need.

Stage 7a:
Are there potential impacts on protected groups?

The protected groups covered by the equality duty are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Note: We have not included impacts which are unrelated to price. For example, the reduced access due to reduced capacity (social distancing) has a negative impact on a number of groups due to reduced access – but has been nationally proscribed and is not directly relevant to this report.

	Positive	Negative	Neutral	Unknown
Age – Younger			N	
Age - Older	Yes	Yes		
Disability		Yes		
Race – (includes Gypsy Travellers)	Yes			
Religion or Belief			N	
Sex			N	
Pregnancy and maternity	Yes		N	

Sexual orientation – (includes Lesbian/ Gay/Bisexual)			N	
Gender reassignment – (includes Transgender)			N	
Marriage and Civil Partnership			N	

Stage 7b: Do you have evidence or reason to believe that this policy, activity etc. will or may impact on socio-economic inequalities?

This is about trying to be fair to everyone. Part of that is realising that not everyone may be starting at the same place. Some individuals and families may have low income, may have very little or no savings which means they are living from month to month therefore changes to council policies/services may have a greater adverse impact on them.

On this basis you should consider potential impacts on individuals/families by:

- Place: on specific vulnerable areas or communities (SIMD, regeneration, rural) e.g. housing, transport.
- Pockets: household resources, (Income, benefits, outgoings) ability to access a service
- Prospects: peoples life chances e.g. access to, or ability to access: employment, training, services (such as council or health) or support.

Groups of people who may be impacted include, but not limited to:

<ul style="list-style-type: none"> • Unemployed • Single parents and vulnerable families • People on benefits • Those involved in the criminal justice system • People in the most deprived communities • People who live in rural areas 	<ul style="list-style-type: none"> • Pensioners • Looked after children • Carers including young carers • Veterans • Students • Single adult households • People who have experienced the asylum system 	<ul style="list-style-type: none"> • Those leaving the care setting including children and young people and those with illness • Homeless people • People with low literacy/numeracy • People with lower educational qualifications • People in low paid work • People with one or more protected characteristic
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Please complete by inserting “yes” in the applicable box/boxes below.

Socio-economic disadvantage	Positive	Negative	Neutral	Unknown
Pockets: Low income/income poverty – cannot afford to maintain regular payments such as bills, food, clothing	Yes	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	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	Yes		
Place: Area deprivation – where you live, where you work			N	
Prospects: Socioeconomic background – social class i.e. parents' education, employment and income, educational achievement.			N	

Stage 8: What are the positive and negative impacts?

Impacts.	Positive	Negative
Older people, race and disability	For older people, family groups with young children and some race groups (i.e. gypsy travellers), the ability to pre book space, knowing there will be a degree of privacy or space will be welcomed an provide a new service	For some groups, with feedback from some older people, there is evidence that some people struggle with the internet booking system. This may also apply to people with learning disabilities although no feedback to this effect has yet been received
Low income groups.	For many low-income groups – the ability of the service to 'target' particular services at no or low cost may have a positive impact	The lack of casual access may negatively impact on low-income groups who have less access to internet and/or who may struggle with the pre -planning required – or have no bank account to pay for bookings

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?	Not directly – though efforts are ongoing to monitor feedback on regular engagement channels
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Stage 10: What mitigating steps will be taken to remove or reduce negative impacts?

	Mitigating Steps	Timescale
These should be included in any action plan at the back of this form.	Continued use of officer delegated powers to target services at reduced priced where they are needed	Delivered (e.g. new membership package introduced at reduced rates in November)
	Helpline available to assist people with internet booking	Helpline now established
	In extremis – officer to have the power where people really struggle to make an internet booking, to allow pre -arranged access via phone.	In place
	Article highlighting the rationale for changes on our website	At the point of being able to reintroduce services

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).	<p>We will continue to monitor customer feedback and may commission specific engagements on key products.</p> <p>However it should be noted that this is primarily a proposal to manage a unique situation over a short period of time – and allow flexibility accepting that the current pandemic may continue to impact on services in ways we do not yet know. It should also be noted that the service is not intending to deviate significantly from its existing pricing policy – which was significantly consulted on when implemented in 2017, and plans to undertake a wide ranging</p>
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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	<p>Negative Impacts have been identified these can be mitigated - please explain.</p> <p>* Please fill in Stage 13 if this option is chosen.</p>

<p>Some negative impacts have been identified, primarily as a result of a combination of a more structured booking and pricing system (albeit not significantly changed) and recognition of the fact that there is more financial hardship currently due to the pandemic.</p> <p>Although the reduced capacity of services and range of COVID prompted restrictions are not subject to choice, there is no doubt they exacerbate negative impacts.</p>	
3	<p>The activity will have negative impacts which cannot be mitigated fully – please explain.</p> <p>* Please fill in Stage 13 if this option is chosen</p>

* Stage 13: Set out the justification that the activity can and should go ahead despite the negative impact.

Not progressing with the recommendation and remaining within existing pricing policies would have a significantly worse (negative) impact on services due to an inability to target services at particular service areas, an inability to open facilities at some times due to lack of resources and the potential for a small number of users to overuse scarce services at the expense of other groups.

Stage 14: Sign off and authorisation.

Sign off and authorisation.	1) Service and Team	Live Life Aberdeenshire	
	2) Title of Policy/Activity	Pricing of LLA Sports activities until March 31, 2021	
	3) Authors: I/We have completed the equality impact assessment for this policy/activity.	Name: Tim Stephen Position: Service Manager, F & F Date: 20/01/2021 Signature:	Name: Position: Date: Signature:
		Name: Position: S Date: Signature:	Name: Position: Date: Signature:
	4) Consultation with Service Manager	Name: Stephen Brown Date: 20/01/2021	
5) Authorisation by Director or Head of Service	Name: Avril Nicol Position: Head of Service LLA Date: 20/01/21	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: 16/10/2020
	7) EIA author sends a copy of the finalised form to: equalities@aberdeenshire.gov.uk	Date:

