

BROMSGROVE DISTRICT COUNCIL

SCRUTINY STEERING BOARD

4TH JULY 2006

PASSPORT TO LEISURE COCESSIONARY SCHEME

Responsible Portfolio Holder	Cllr June Griffiths
Responsible Head of Service	Robbie Hazlehurst

1. SUMMARY

1.1 The following report of the Passport to Leisure Task Group sets out the potential to set up a Passport for Leisure scheme in the district and outlines the aims & objectives, organisational arrangements and operational requirements for the introduction of such a scheme.

2. RECOMMENDATIONS

2.1 Members are recommended to: -

- a) Agree the aims and objectives of the scheme, the organisational and operational arrangements to implement and operate it and the proposed charges as outlined in the report and;
- b) Note the estimated costs of implementing and operating the scheme and;
- c) Submit the report to the Executive Cabinet.

3. BACKGROUND

3.1 The former Health & Leisure Scrutiny Committee established a cross party working group to contribute to the development of a "Passport to Leisure" scheme for Bromsgrove.

3.2 As a result Members and officers have reviewed and appraised several similar schemes operated by other local authorities and have attended presentations by recognised industry experts to establish what is considered "best practice" in this area, what operational aspects need to be considered to deliver an effective scheme and what barriers to participation need to be addressed/removed to ensure the scheme meets its agreed aims and objectives.

3.3 As part of the review two other local authorities were invited to make presentations to demonstrate the benefits of such a scheme, the financial implications and the practical requirements that would be placed upon the Council should it chose to implement such a scheme.

3.4 Members and officers as a result have developed a scheme that they believe will meet the needs of Bromsgrove and deliver real benefits to local residents as follows:

What are the Scheme's Aspirations?

- The scheme will deliver greater sporting and recreational opportunities for target groups (concessions) as specified later in the report, increase participation and associated health benefits and provide equality of access for all.

It has been established that "Physical Inactivity is a cause of some of the UK's biggest killer diseases – heart disease, stroke, diabetes and bowel cancer as well as

a range of other health problems, from depression to osteoporosis. This does not of course cover Obesity were in the past 20 years the UK's obese population has trebled, through the increase of sedentary activities. It is projected in the next 10 years based on the current trend at least 50% of children will be obese. Fat Children all too often become fat adults.

Inactivity among older people is another major health worry. Not only is it adding to the burden of cardiovascular disease, it is also contributing to frailty and dependence in old age and an alarming increase in the number of falls and fractures.

The promotion of active living has been described as "the best buy in public health" by Professor Jerry Morris, one of Britain's most eminent researcher in the field - source: NHS, Health Development Agency and British Heart Foundation – Lets Get Moving.

Excising for half an hour at least twice per week during midlife can significantly cut a person's risk of dementia later in life. People in their late 40's and early 50's who do this could reduce their risk of dementia by about 50%, those who are genetically prone to Alzheimer's disease could see a reduction of about 60%, according to a study in Lancet Neurology, Sweden.

This issue is further compounded as public sector leisure facilities are used less by those who have social, economic and other hardships than those who are more affluent and mobile, sources Leisure & Recreation Management – George Torkildsen 5th Edition.

Increasing activity levels by 10% could save 600 lives and £50 million a year in the West Midlands, source Sign up for Sports- Sport England West Midlands regional Plan 2004 –2008.

- The scheme will increase the Council's knowledge of its users to enhance marketing functions. Introduce performance monitoring of marketing activities and assist in the collation of statistical information for the Cultural block of CPA.
- It will allow the restructuring of fees and charges to financially assist target groups and the socially disadvantaged to access sporting and recreational activities and opportunities whilst also providing local residents with financial benefits in the form of a range of membership packages.
- It will allow the Council to efficiently & effectively target users groups to meet the objectives of the Community Plan, the Corporate Plan and the Equalities and Diversity Policy.

Who is the scheme aimed at?

The 'passport to leisure' scheme will be set up to provide opportunities for the following groups of people:

- Those entitled to a concession based on their ability to meet the criteria, as identified later in the report.
- Those who become centre members via the direct debit system. This system is already operating but will be expanded to include a number of activities not currently covered in the centre's membership packages, for example full centre members will pay a one off monthly fee for all activities, with set exclusions that may or may not be discounted to promote usage (e.g. Parties etc).

The establishment of extended membership packages will be developed following the completion of the Phase 2 refurbishment of the Dolphin Centre. It is however envisaged that the scheme will consist of 3 membership levels offering differential

packages with the existing scheme being the middle level, the scheme may also include membership categories for individuals, couples and families.

Is a charge to be made for the card?

It is proposed that the following charges be made for the different elements of the scheme:

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- a) **Concession Scheme** - £2.00 per initial application based on administration costs, then £0.00 per renewal until the card expires/is not renewed.

Should a member/card holder wish to reapply or change their category of concession, the card will be classed as a renewal and be subject to the £2.00 initial fee.

For concession users with more than one card (families/dependants) the charge will be based on the one card charge at £2.00.

The concession scheme will allow for family/dependant discounts subject to the criteria proposed later in the report.

- b) **Centre/Health & Fitness Memberships** – There will be no changes at present to the existing system of Direct Debit's (DD's) where a joining fee of £24.00 is charged for the initial membership. Further annual membership charges are not currently applicable provided DD's are maintained, but this will be reviewed as part of a regular review of the membership package.
- c) **Pay and play users** – will continue to be charged an annual membership fee of £24.00, should a member of the fitness suite then wish to join the membership scheme as DD, they will be entitled to the full discounts for that card and be charged a £5.00 conversion charge to cover the administration fees applicable (DD payment forms, new card and system reprogrammed).

Do we wish to charge for annual renewals, lost or damaged cards?

It is proposed that: -

- a) Concession and Fitness Suite members (DD's) who maintain their memberships will not be charged for the renewal of memberships. Should individuals allow their membership to expire or they fail to maintain agreed payment plans they will be required to reapply for membership.
- b) Lost or damaged cards for all valid membership and concession categories will be charged for, at the concession rate card of £2.00 per card. Couples/Family memberships will be charged in these circumstances at the above rate per new card required.
- c) Annual renewal charges will remain in place for all Fitness Suite play and pay members.

Do we wish to limit the times were discounts/concessions are available to peak/off peak sessions, weekdays or weekends?

It is proposed that all membership schemes will be available at all times for all users to ensure that the scheme is effective in the delivery off its aims and objectives and provides real benefits users.

Will the discount be available to the immediately family of the individual concerned/card holder?

It is proposed that

- a) **Concessions** - Dependant upon the nature of the concession and the ability to meet the criteria, the family will be entitled to the discount proposed later in the report. The system will be set up to show the applicant as the main user with other family members (living in the same house) having secondary cards for management, monitoring and marketing purposes. Once a child/dependant reaches the age of 16 yrs they will be consider an adult and be exempt from the scheme unless they remain in full time education.
- b) **Fitness Suite Memberships** – This system is already set up in respect of ‘couple’ memberships. However due to the nature of the activities on offer at the sites family memberships which are currently unavailable will be developed for introduction once the phase 2 Dolphin Centre refurbishment works have been completed.

Are Carers and Personal Assistants they to be included?

It is proposed that because a carer and personal assistant does not participate in the activity for their own benefit but supports the user in the activity, they will be provided with free of charge usage/access to the sites, provided they attend site with the card holder.

Instructed/coached activities

It is proposed that Instructed classes/session (those where a staffing cost is incurred to run the activity) will be discounted/given at a concessionary rate as per the normal scheme to ensure continuity and to prevent unwanted barriers to participation.

Membership/Concessions discounts

It is proposed that membership/concessionary discounts be agreed as follows to be based on: -

Category	Discount	Comments
Single Session Usage	Yes	N/A
Multi User Activities – for example badminton	No	If a holder of a couples or family card wish to make a booking for the family/couple then yes, provided that no none card holder participates in the activity.
Commercial Bookings	No	N/A
Block Booking	No	N/A
Club Bookings	No	N/A

It is proposed that all other centre membership schemes will be removed as part of the introduction of the Passport to Leisure scheme this process. This relates to advanced booking memberships for activities such as badminton. To ensure advanced bookings are available the following benefits will be offered to those who become ‘Passport to Leisure’ card holders:

- 7 Day advanced bookings on all activities,
- Free of charge equipment hire
- Free of charge spectator entrance

Are premium rates to be charged and if so do we take the existing fee and discount down or increase the fees then discount down?

The Service will continue to conduct its annual fees and charges review as normal and base core fees and charges on local comparison, CIPFA information and upper quartile

pricing objectives. This will ensure the transparency of process discount agreed and fees charged.

Number and type of Concession Categories.

It is proposed that the scheme will be banded into groups as detailed below to ensure ease of access, accurate monitoring and to ensure that there is no stigma attached to becoming a member.

Group A = Individual with 50% Concession

<i>Description</i>	<i>Proof Required</i>	<i>Discount %</i>	<i>Duration/ Timescales (Months)</i>
Students in Full time education 16+ Incapacity Benefits	NUS Card or Letter from Head Teacher Letter from benefits agency or other appropriate proof	50% 50%	12 12

Group B = Individual with 30% Concession

<i>Description</i>	<i>Proof Required</i>	<i>Discount %</i>	<i>Duration/ Timescales (Months)</i>
Industrial Disablement Allowance	Letter from benefits agency or other appropriate proof	30%	12
Disablement Benefit	Letter from benefits agency or other appropriate proof	30%	12
Widows Pension	Letter from benefits agency or other appropriate proof	30%	12
Disability Living allowance	Letter from benefits agency or other appropriate proof	30%	12
Disabled Tax Credit	Letter of confirmation from Inland Revenue	30%	6
War Widows Pension	Letter from benefits agency or other appropriate proof	30%	Ongoing

Group C = Family with 50% Concession

<i>Description</i>	<i>Proof Required</i>	<i>Discount %</i>	<i>Duration/ Timescales (Months)</i>
Job Seekers Allowance	JSA Booklet ES40	50%	3
Income Support	Letter from benefits agency or other appropriate proof	50%	6
Severe Disability Allowance	Letter from benefits agency or other appropriate proof	50%	12
Invalid Care Allowance	Letter from benefits agency or other appropriate proof	50%	12
Pension Credit	Letter from benefits agency or other appropriate proof	50%	Ongoing

Group D = Family with 30% Concession

<i>Description</i>	<i>Proof Required</i>	<i>Discount %</i>	<i>Duration/Timescales (Months)</i>
Council Tax Benefit (single occupancy discount does not apply)	Letter from BDC	30%	6
Housing Benefit	Letter from BDC	30%	6

Group E = Individual with 25% Concession or Free Of Charge

<i>Description</i>	<i>Proof Required</i>	<i>Discount %</i>	<i>Duration/Time scales (Months)</i>
Young People on Training Schemes or Modern Apprenticeships	Letter from employer or youth training scheme	25%	12
County Level Sports Person (FANS scheme)	As per Sports Dev. Scheme	FOC	12
GP Referral	Letter from GP	FOC	3

Loyalty Scheme

It is proposed that a loyalty scheme will be developed for all areas of the scheme where points will be awarded for attending session. An agreed range of promotional gifts will then be established with a point's value associated with the gift. Once the points threshold has been reached the users will be able to claim the gift (one per 12 month period) or continue to save points for the next gift. If a gift is claimed the points are then wiped and the collation process resumes again.

<i>Gift</i>	<i>Points Requirements</i>
Pen	25
Drinks Bottle	50
Towel	75
T Shirt	100
Umbrella/Draw String Bag	125

An example of the points system would be that a swim is worth 1 point, a fitness suite session (aerobics or fitness suite) 2 points and coaching/instruction course 3 points.

This will help to promote our various sites/services around the District, as all gifts will be branded, reward attendance on site/at sessions and challenge users to continue with health and fitness programmes to achieve the gift they most desire. The system will be set up to run as long as the card is valid, should the card become invalid the points will then be frozen at that point. The member will then have up to two months to renew the card before the points are lost and the membership details deleted from the system.

Please note should users attend the centre for swimming 3 times per week it would take them 9 weeks to achieve a pen. A cost calculation in this area is as follows, a pen will cost £0.31 but the income from a full paying adult will be £72.90 over the period required to gain

enough points. In terms of a concession user at the highest level of discount applicable the Council would attract income of £36.45 over the period.

Targets/Performance Monitoring?

To ensure the scheme is successful it must be monitored effectively and the information used to improve the scheme and increase its relevance to those we are endeavouring to help (make it more users focused).

Detailed below are the proposed performance indicators for the scheme and a brief explanation as to why they have been chosen:

- a) Total cards in use per year, shown on a month-by-month uptake.** This will track the effectiveness of the marketing and uptake levels of the scheme on a monthly basis to ascertain user patterns for example when are the cards most popular, is the scheme having long term benefits (repeat usage) etc.
- b) % Breakdown of total cards in use** for example concession cards and centre memberships. This will enable the headline figures to be broken down into categories to measure the effect of the scheme and ensure marketing resources are allocated to the Council's priority areas for example if the uptake of concession cards is low in certain categories and there is an awareness from our demographic data that there are a high number of residents in this category it will be possible to conduct a postcode review and target marketing/promotions in these areas more effectively.
- c) Breakdown of users/usage by categories** e.g. low incomes, people with disabilities. As per the above but allowing the concession groups of users to be broken down into individual categories and again targeted based on Council priorities. This will also allow user consultation to be undertaken to ascertain any barriers to usage that exist for example times, price etc.
- d) Equalities monitoring/uptake levels** – from the application form/database process we will be able to measure the uptake and usage within key groups such as ethnic minorities, people with disabilities etc., to meet the Council's equalities and diversity objectives and take appropriate action similar to that identified above to re-dress as participation issues.
- e) Financial** – The cost of the scheme in terms of loss of income/additional expenditure against the (perceived) increase in usage, health and well being by those accessing the facilities more frequently or for the first time.

Future Expansion Opportunities

Initially it is expected that the scheme will cover all Sports Services sites, Sports Development & Arts Development and Sanders Park activities. However the scheme as proposed has the potential to expand to include the Artrix and other local service providers for example; sports shops, cinemas, and local tourist/visitor attractions over the next 3 years. Other areas of associated benefit could include shops, super markets and retail outlets etc who could be persuaded to provide discounts to 'passport to leisure' cardholders.

It is however recommended that initially (12 to 18 months) the scheme be limited to those services within the remit of the Culture and Community Services Department, to ensure the scheme is managed effectively, meets its objectives and can demonstrate its worth before attempting to expand it into other areas.

Having proved its worth it is anticipated that the scheme will be expanded to offer additional benefits to partner organisations e.g. Worcestershire County Council Adult and Children's Services including Youth Services, Health related projects including cardio rehabilitation and corporate organisations wishing to offer health lifestyles to their employees.

4. Financial Implications

4.1 Due to the diverse nature of the Leisure/Fitness industry, the fact that no local authority profile is the same and that this is a new scheme for Bromsgrove the following costing are the best possible estimates based on information received from other authorities running similar schemes.

It is proposed that the scheme is set up to run initially for a two year period to ascertain its viability and true costing, at this point the scheme can then be revised in the light of operational experience or to meet any changes to the Council's Corporate objectives.

Members should be aware that as the scheme becomes more popular the overall level of subsidy provided to cardholders may increase due to increased usage of facilities from target groups. This may generate a reduction or loss of income if all existing users are found to be entitled to concessionary rates, however, this is considered unlikely. It also needs to be recognised that if the scheme is a success concessionary users may prevent full paying users from accessing the facilities thus reducing income. In order to manage this matter, particularly in the early days of the scheme it is proposed that a differential booking period be implemented between centre members (DD's) and concession users as highlighted earlier in the report, this will ensure that there is a balance of full paying and concessionary users particularly at peak times and allow managers a degree of freedom to manage the scheme effectively.

What is difficult to predict at this stage is whether or not the increased profile and benefits of such a scheme will increase income generation by attracting new users to the facilities. The aim of the scheme is to attract new users particularly from target groups who previously may have been excluded from the sports and recreational facilities and opportunities due to financial constraints/barriers. However based upon research of other schemes, usage is anticipated to increase linked to small increases in income generation but the full impact would not be known until the scheme had been operating for at least 12 months

Based upon the experience from other similar schemes the table below outlines the estimated impact on Sports Services budgets based on the concessionary schemes element only:

Income:

<i>Description</i>	<i>Year One</i>		<i>Year Two</i>		<i>Year Three</i>	
	Up Take	Income £	Up Take	Income	Up Take	Income
Joining Fees	3% - 2635	£5,270	5% - 4392	£3,606	6% - 5,720	£1,664
Additional fees	15,810	£21,738	26,352	£36,234	34,320	£47,190
Total	N/A	£27,008	N/A	£39,840	N/A	£48,854

Income projections:

Joining Fees - based on a Population of 87,837 (census 2001 Bromsgrove Profile), a £2.00 charge per card and the national average figure of uptake for concessionary schemes of between 4% and 10% of local population. As we are not charging for annual membership the year 2 & 3 income shows new members only.

Additional Usage Fees – the above figure is based on each concession user using the Dolphin Centre once a month for a swim at the discounted rate (£1.38). This figure has then

been multiplied by twelve months to show a projected annual income, these figures have then been reduced by 50% to take into account the number of existing users who may be entitled to the concession rate.

Expenditure:

<i>Description</i>	<i>Year One £</i>	<i>Year Two £</i>	<i>Year Three £</i>	<i>Comments</i>
Staffing – Scheme Manager (SC6) & Administrative Staff (SC2 – 20hrs)	37,880	39,206	40,578	Based on top of scale and a 3.5% Increase in staffing cost year on year. Includes on costs.
Administration Costs	3,365	3,482	3,604	Based on 15,000 information packs being sent out per year. A 3.5% increase has been applied year on year.
Marketing & Publicity	15,204	11,130	11,520	Based on a launch programme, with campaign reduced once established. 3.5% increase in place year on year.
Promotional Gifts	9,385	11,415	11,120	Purchase levels based on uptake levels above and the progression of users.
IT Infrastructure	1,348	1,395	1,444	Base on User licences for Leisure Flex system as per Sports Services sites. 3 additional licenses required for the Council House, Customer Service Centre and Sanders Park.
Misc	N/A	N/A	N/A	Any miscellaneous unforeseen costs will be meet from existing Sports Services budgets.
Total	67,182	66,628	68,266	

Predicted Net Costs:

<i>Description</i>	<i>Year One</i>	<i>Year Two</i>	<i>Year Three</i>
Income £	27,008	39,840	48,854
Expenditure £	67,182	66,628	68,266
Net Cost £	40,174	26,788	19,412

In recognition of the current financial position of the Council and in view of the forthcoming phase 2 refurbishment of the Dolphin Centre which it is predicted will generate substantial additional income for the Council, it is proposed, subject to Members agreeing to the implementation of the 'Passport for Leisure' Scheme, that its implementation be planned to coincide with the opening of the phase 2 refurbishment of the Dolphin Centre in order to offset the costs.

5. **Legal Implications**

5.1 There are no legal implications

6. **Other Implications**

6.1

Personnel Implications	New staff required and training implications for existing staff. New staffing cost could be mitigated as outlined above
Governance/Performance Management Considerations	The introduction of the 'Passport for Leisure' Scheme will have a positive impact on the Council's ability to address equalities and diversity issues
Community Safety Considerations	The scheme would contribute to the reduction of anti social behaviour by targeting young people and providing access to sporting opportunities thus reducing "time on street corners".
Risk Management Considerations	Maintenance Costs, due to the nature of the scheme and increased usage, costs will increase through damage/vandalism and increased usage. Loss of Income (dependant upon uptake) based on Redditch BC and Telford & Wrekin BC presentations - between £25,000 and £40,000 per annum directly related to discounts provided. Loss of Income relating to loss of existing users due to lower standard facilities if maintenance budgets not increased
Policy Considerations	Would emphasise the Council's corporate objectives of promoting a health community and our aim to provide services to all regardless of the ability to pay.
Equalities Implications	The introduction of the 'Passport for Leisure Scheme will have a positive impact on the Council's ability to address equalities and diversity issues.

Background Papers

Game Plan – DCMS 2002

Sign Up For Sport – Sport England West Midlands 2004

Let's Get Moving – NHS, Health Development Agency & British Heart Foundation

Leisure Card Survey Results – Glasgow Caledonian University

Passport to Leisure Schemes – ISRM & The University of Sheffield

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