

CO-OPERATIVE & COMMUNITIES SCRUTINY COMMITTEE
Minutes of the meeting of the Co-operative & Communities Scrutiny
Committee held on Thursday, 1st December, 2011 at 6.00 p.m. in the Civic
Offices, Telford

PRESENT: Councillors A. McClements, (Chairman), S. Bentley, K. Guy, T. Hope, A. Jhavar; Scrutiny Co-optee L. Baker-Oliver.

Also Present: Cllr. A. England, Cabinet Member for Leisure & Wellbeing; Angie Astley, Head of Leisure, Libraries & Customer Services; Stuart Davidson, Community & Leisure Services Delivery Manager; Stephanie Jones, Scrutiny Group Specialist; Tracy Clarke, Scrutiny Officer.

CCSC-16 MINUTES OF THE LAST MEETING

RESOLVED – that the minutes of the meeting of the Co-operative & Communities Scrutiny Committee held on the 9th November 2011 be confirmed and signed by the Chairman.

CCSC – 17 APOLOGIES FOR ABSENCE

Councillors N. England, J. Loveridge, K. Tomlinson.

CCSC-18 DECLARATIONS OF INTEREST

None

CCSC-19 LEISURE SERVICES CONCESSION POLICY

The Chairman set out the purpose of the meeting as being to discuss in more detail the options for savings in leisure concessions and for the Committee to agree the preferred options to recommend to the Cabinet member.

Three documents were tabled for discussion:

- A report showing an evaluation of savings (income) options across the wider concessions schemes, including the options for savings on over 60s concessions which had been identified by the Committee as a potential area for savings. Modelling showed that savings on over 60s options alone would not be sufficient to generate the required level of savings and that other options would need to be considered. The evaluation showed the potential for savings (income) for each option and the level of financial, equalities or reputational risks associated with each option.
- Detailed financial modelling of savings options for swimming and health & fitness which attracted the greatest number of concessionary admissions and therefore the greatest potential for 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. The options modelled were full-price, half-price and a flat £1 concessionary charge for swimming. 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. Health & fitness options had been modelled on standardising and increasing the monthly fee to £21.50 and £26. Comparisons had been made with private clubs

- A comparison of the level of concessionary swimming entitlement for the over 60s offered by Telford & Wrekin compared to 16 other authorities. This showed Telford & Wrekin as the only authority in the sample offering a 100% discount, with the most popular discount being 50%.

The Community & Leisure Services Delivery Manager reiterated that the need to make £50,000 worth of savings needed to be carefully balanced to ensure there was no loss of income from over-pricing and potential loss of customers.

The Cabinet Member said that in an ideal world leisure activities would be free for all residents, but this was not a feasible option. There was a need to protect income streams and generate income to make the necessary savings, but protecting claimants would be a priority.

There was a general discussion about wider considerations relating to concessions, including:

- A suggestion to increase the Flex Card charge was discussed but was discounted on the basis that the charge had only been re-introduced earlier in the year and the cost of the card had been benchmarked against other authorities.
- Members again expressed their concerns that the benefit-based criteria for concessions eligibility was unfair to people on low incomes but over the benefit threshold. The introduction of a sliding pricing policy linked to income level was discussed again, but the difficulty and cost of administering this kind of system was acknowledged and in the absence of a viable alternative being identified, it was agreed that the existing benefit based criteria would remain.
- Members suggested that the option of corporate gym membership cards could be introduced and were informed that a corporate membership scheme was already in place with a number of large and small firms signed-up (including the Council). Members were pleased to hear that the corporate market would be a target for expansion and new income generation, especially with the new facilities at Abraham Darby coming on line.
- Members suggested expanding the Flex Card options to create a family card, and were pleased to hear this option was being explored following the Active Families pilot.
- A suggestion to generate more income from charging for the provision of towels could be considered, but the cost of laundering was high and private clubs were moving away from offering this service.
- There was a suggestion that concessions for older people could be limited to the use of facilities during working hours only so that people in work would not be able to benefit. This was a potential model that could be explored further in the future.

- A view was expressed by one member that leisure should be exempt from savings targets as income generated by leisure in the past had been used to subsidise other Council services. The idea was refuted by the Chairman who felt it was unrealistic to exempt leisure services from the cuts when the Council needed to make cuts to priority services such as care for the elderly.
- Members were concerned that the Council should use its relationships with schools to encourage them to provide at least the minimum required swimming time to all pupils.

Members then considered in detail the options evaluations in Appendix 1, and supplementary financial modelling in Appendix 2, to identify the preferred options to recommend to Cabinet.

- Option 1 was to remove the automatic concessionary status for the over 60s. 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. There was a risk of a drop in participation in activities among the over 60s. On balance, Members agreed that the concessionary status should remain for existing over 60s.
- Option 2 was to remove the automatic concessionary status for new over 60s. This was given considerable consideration. Members were concerned that new over 60s would feel that the removal of entitlement was unfair, but on balance members felt that the impact on people who had never had entitlement would be limited. The number of over 60s was projected to grow and there was potential to increase revenue streams in this area. The Committee agreed with this option except for people in receipt of Pension Credit who would receive concessionary entitlement. Members advised that legal advice was sought to ensure there was no risk of challenge with this option.
- Option 3 was to remove swimming concessions altogether. Members rejected this option due to the high risk factor, the likely disproportionate affect on people on lower incomes and the fact that Telford & Wrekin would be out of line with other authorities.
- Options 4 and 5 were considered together. Option 4 was to introduce a half price swimming charge (£1.65) for all concessionary groups, and Option 5 was to introduce a flat fee of £1 for a swim for all concessionary groups. Members considered there was a greater risk of a higher drop in admissions with the half-price than the £1 flat fee and that more income would be generated from the lower charge with a lower drop rate than the higher charge if the drop rate was higher. Members felt there was a psychological barrier to prices over £1 which could have a disproportionate impact, and that the more cautious approach would leave scope for further review should the necessary savings not be made in 2012/13. For these reasons, the Committee felt it was reasonable to introduce a £1 flat fee for a swim.

- Option 6 was to remove the concession on swimming lessons (currently 15%). Members did not agree with this on safety grounds and that people, children especially, should learn to swim.
- Option 7 was to standardise the concessionary health & fitness fee to £21.50 per calendar month. Options had been modelled to increase the current monthly charge of £21 to £26 or £21.50. Comparisons had been made with private clubs and prices ranged from £25pcm for time limited membership to around £40 at the top end. This was an important income stream for the Council and was used to off set other leisure services and it was important that the income stream was protected. The Council had benefitted from the recession with customers looking for better value deals. Members felt pricing was very sensitive, and that the price differential with private clubs needed to be maintained to retain and attract customers. Members rejected the £26pcm option, but felt that a small monthly increase of £0.50pcm was reasonable and still offered excellent value for customers. It was agreed that the old “gym only” £16pcm fee should also be increased to £21.50 but that swimming and exercise classes would be included with membership.
- Option 8 was to remove all golf concessions. This was agreed as members felt that golf attracted more business customers and was less likely to affect people on lower incomes. Members felt that Horsehay golf centre was an asset that should be developed and promoted to attract new income streams.

It was noted that the preferred options of the Committee were 2, 5, 7 and 8 which would generate projected savings of £48k for 2012/13. This was slightly under the required £50k but Members felt that there was sufficient scope within the options, and the wider savings proposals, to make this up to £50k and that the savings would be closely monitored during the year to ensure targets were on-track.

Members were assured that an Equalities Impact Assessment would be carried out on whatever options were agreed by Cabinet.

RESOLVED

That the Committee would make recommendations to Cabinet that revisions should be made to the leisure concessions policy as agreed for options 2, 5, 7 and 8.

At the previous meeting, the Committee had discussed whether the Arthog Remission Policy should be revised following a complaint that had been received from a parent about the fact that parents had to either pay all or nothing for the courses. The Committee had agreed in principle that the existing Remissions Policy should be retained, pending receiving further information about whether other complaints had been received over the previous years. The Head of Leisure, Libraries and Customer Services confirmed that no other complaints had been received, and reiterated the fact that schools had their own arrangements to provide additional assistance from their own budgets for children from low income families. Having received this information, the Committee confirmed that they would recommend that the existing Remissions Policy should be retained.

RESOLVED

That the Committee would recommend to Cabinet that the existing Arthog Remissions Policy be retained.

CCSC-20 FORWARD PLAN

The Chairman reminded members that the Committee's report and recommendations on First Point for Business would be presented to Cabinet on 8th December and that all members were welcome to attend.

The Cabinet Members for Leisure & Wellbeing put forward a suggestion for the Committee's work programme. The suggestion was to review community access to facilities developed as part of the Co-operative Sport & Learning Communities programme, and how this could be approached with schools which would be converting to academies.

The Committee agreed that the suggestion would be included in the work programme.

The Chairman reminded members that the next meeting would be to scope the review of the management of community centres and that the terms of reference for the review would be agreed at the meeting.

The meeting ended at 7.34pm

Chairman:

Date: