



REPORT FOR EDLC BOARD	
Report Title:	Pricing Review 2020/2021
Contact officer:	Mark Grant
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1. INTRODUCTION

- 1.1 The purpose of this report is to update the Board of proposed changes to EDLCT charges for 2020 / 2021. These charges are presented alongside the results of recent benchmarking exercise both locally and across Scotland.
- 1.2 This does not include changes to the gym membership and concessions schemes which was reported to October Board and will be implemented from April 2021.
- 1.3 In considering a pricing levels for EDLCT Services, there are a number of key factors which require to be considered in order to make informed decisions regarding pricing.

These include:

- Leisure and Culture Strategy Objectives
- Financial Objectives
- Forecast Income
- Policy Objectives
- Usage Patterns
- Forecast of effects on use including the impact of competitors etc.
- Comparisons and Benchmarking with Competitors and Other Service Providers
- User Views

2. BACKGROUND

- 2.1 EDLCT has a number of product categories each with their own pricing level. The core pricing categories are adult, juvenile and concession. The pricing level should relate to strategic outcomes and detailed competitor analysis.
- 2.2 **Current Charges:**

The existing charges for EDLC activities have generally increased by inflation or in some cases above inflation to reflect the charge for the activity in comparison to other providers.

The tables below outline current activity charges for some key activities in EDCL facilities with a comparison for a selection of competitors.

ADULT	Group Fitness	Badminton	Squash	5 a side	Swimming
EDLC 2020/21	£6.00	£9.40	£8.30	£42.00	£4.20
EDLC	£5.75	£9.00	£8.00	£42.00	£4.00
Glasgow	£5.00	£9.00	£8.00	£40.00	£3.00
North Lanarkshire	£5.00	£10.60	£10.00	£35.00	£6.15
Stirling	£6.50	£14.50		£35.00	£5.00
Renfrewshire	£6.00	£9.90	£8.50	£45.30	£4.20
East Renfrewshire	£4.85	£9.45		£49.60	£3.30
South Lanarkshire	£5.85	£10.70	£9.80	£46.00	£4.70
West Dunbartonshire	£5.00	£8.00		£42.00	£3.70
SS Maximum 2019/20	£7.80	£15.30	£13.45	£64.00	£6.50
SS Mean 2019/20	£5.79	£10.10	£7.97	£43.68	£4.42
SS Minimum 2019/20	£4.65	£4.30	£4.40	£25.40	£3.00

* SS – Sportscotland Charges for Facilities 2019/20

JUNIOR	Group Fitness	Badminton	Squash	5 a side	Swimming
EDLC 2020/21	£3.90	£6.10	£5.40	£26.00	£2.75
EDLC	£3.80	£6.00	£5.30	£26.00	£2.65
Glasgow		£6.50	£6.00	£30.00	£1.00
North Lanarkshire	£3.50	£5.30	£5.00	£17.50	£4.65
Stirling		£7.00		£25.00	£3.50
Renfrewshire	£2.90	£4.95	£4.20	£22.00	£2.00
East Renfrewshire	£3.40	£5.80		£24.80	£2.30
South Lanarkshire	£2.95	£5.35	£4.90	£23.00	£2.00
West Dunbartonshire	£4.00	£4.00		£21.00	£2.55
SS Maximum 2019/20	£6.00	£11.00	£10.75	£43.68	£4.40
SS Mean 2019/20	£4.08	£6.20	£4.66	£25.18	£2.69
SS Minimum 2019/20	£2.70	£2.20	£2.20	£14.55	£1.00

2.2 Proposed Increase in Charges

Raising income from charges and being commercial in our outlook has become increasingly important however raising some charges may also have a negative impact on our performance both financial and reputational.

EDLCT look to increase revenue and an annual standard percentage increase across all price levels to meet increased income targets.

EDLCT must also be aware it competes in a challenging business environment and should take account of the charges of competitors. If our customers can go elsewhere and receive the same or similar service levels at a lower price then price increase exemption must be considered for specific products.

The proposed increase in charges will cover all activities across EDLC with the exception of the Gym membership scheme and synthetic pitches. The recommendation not to increase the pitches takes account of the bench marking exercise for synthetic pitches detailed in Appendix 1. This shows we are above the mean charge and higher than a number of other Trusts which border East Dunbartonshire.

Taking account of all of the activities out with the gym membership and synthetic pitch charges the table below outlines the potential impact on income if an uplift of 2.5% - 5% is applied and usage levels are maintained.

Percentage Increase	Additional Income
2.5%	£61,575
3%	£73,890
4%	£98,520
5%	£123,150

3. IMPLICATIONS

- 3.1 There is potential for negative feedback from customers around the increase in price for activities.
- 3.2 The change in pricing level if the current level of usage is maintained will mean an increase in income between £61,575 and £123,150.
- 3.3 Potential reduced demand for EDLCT services due to the extent to which demand is influenced by price
- 3.4 EDLCT will produce an annual service charges document detailing all product pricing levels in February each year. Any price increases will be advised to customers in advance from early March of each year by poster, leaflet notification and other communication methods as deemed appropriate.

4. RECOMMENDATIONS

4.1 It is recommended that the Board:-

- a) Notes the details provided on proposed changes to EDLC charges for 2020/2021. and Membership Scheme.
- b) Agree an uplift in charges of approximately 4% and approve the implementation of these charges from 1st April 2020.