

Report

Report to:	Executive Committee
Date of Meeting:	21 February 2024
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	South Lanarkshire Leisure and Culture – Activage Proposals for 2024/2025
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1. Purpose of Report

1.1. The purpose of the report is to: -

- ♦ present recommendations for amending the concession rate for Activage for 2024/2025

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation made by the Board of South Lanarkshire Leisure and Culture (SLLC):-

- (1) that the price of the annual Activage membership is increased from £80.25 to £120.

3. Background

- 3.1. Like all local authorities, Leisure and Cultural providers across Scotland are facing significant increased pressure on their budgets. The majority are considering, or have implemented, price increases and many have also had to reduce the scope of their services.
- 3.2. As with South Lanarkshire Council, SLLC is experiencing extraordinary financial pressures due to inflation levels on areas including pay, utilities and contracts combined with the impacts of reducing public sector funding.
- 3.3. Approval was given at a full Council meeting in June 2021, and further agreed at the SLLC Board meeting in August 2021, that the Board of SLLC have full autonomy to review and set the pricing for all SLLC commercial activities in line with market tolerances and trends. It was agreed that the Council would retain the authority to decide concession pricing, which includes the Activage membership.
- 3.4. At Members' Awareness Sessions held on 24 November 2023 and 29 January 2024, SLLC officers advised Councillors of SLLC's projected budget gap of £6.335m for 2024/25 (before any management fee reduction), along with a range of options under consideration by SLLC to close the anticipated budget gap, including price increases across many of its services.
- 3.5. At a Board meeting on 15 January 2024, SLLC approved a recommendation to ask the Council to approve the increase in the price of the Activeage membership, in line with SLLC's proposals to reduce the funding gap. If agreed, the recommendation in

this report would enable SLLC to realise £0.287m of additional income, reducing the funding gap by that amount.

- 3.6. Should the concession proposal in this report not be agreed, there would be a requirement for the SLLC Board to approve service reductions, commensurate with the amount of income associated with this concession proposal. This would most likely be in the form of further rationalisation of services.
- 3.7. The SLLC Board has a legal duty to set a balanced budget similar to that held by elected members in relation to setting a balanced budget for the council. The scale of the financial pressures faced by SLLC inevitably means that service levels cannot be maintained, and difficult decisions will need to be faced. The challenge requires consideration of a range of measures to mitigate those decisions and the concession scheme change below has been recommended by the SLLC Board to assist with this process.

4. Concession Recommendation – Activage (£0.287m)

- 4.1. Activage is a universal product that provides South Lanarkshire residents aged 60+ access to leisure facilities including swimming and health suites, East Kilbride Ice Rink, cultural and libraries activities, golf courses and more (Appendix 1).
- 4.2. The current cost of the membership for residents aged 60+ is £80.25 for the full year to be paid in one or two instalments at set points in the year.
- 4.3. SLLC completed a benchmarking exercise which compared Activage to similar local authority 60/65+ fitness products. Appendix 2 outlines the overall pricing position of the Activage product compared to similar and neighbouring Authorities. It is noted that the proposed price point of Activage would be less than half of the price point that most comparable products are sold at.
- 4.4. SLLC undertook a consultation with residents between 24 November and 15 December 2023 in which Activage members were asked if they believed the product to be value for money.
- 4.5. A total of 1,691 returns to the survey were completed by those saying they were Activage members. 95% of the Activage members responding to the statement relating to value for money agreed very strongly or strongly that Activage was value for money (Appendix 3). Additionally, 74% of all those responding to the survey statement relating to price increases (4,716) agreed very strongly or strongly that they would be willing to accept price increases for the services provided by SLLC if it assisted in delivering continued service provision (Appendix 3).
- 4.6. It is proposed that the increase to the Activage annual membership from £80.25 to £120, an increase of £39.75 over the year or 50%, would be accompanied by the introduction of the facility to spread the cost over the year at £10 per month, to ease the transition to the new offer. This remains lower than the concession rate on a standard fitness membership.
- 4.7. It is anticipated that the proposal could generate £0.287m of additional income.

5. Next Steps

- 5.1. Following Council approval, implementation of new concession rates would commence.

- 5.2. A meeting of the Board of SLLC is due to take place on 28 February 2024 following the full Council meeting on 21 February 2024. This meeting will consider further measures required to achieve a balance budget for 2024/25.
- 5.3. SLLC will undertake a marketing campaign extolling Activage benefits in 2024. This will encourage existing and new members to access the wider range of activities on offer and ensure the target audience has the opportunity to discover more about the benefits of which they could be taking advantage.

6. Employee Implications

- 6.1. There are no employee implications as a result of this report.

7. Financial Implications

- 7.1. SLLC has an estimated budget gap of £6.335m for 2024/25 (before any management fee reduction) arising from an invariable management fee, exceptional inflationary rises in costs, related pay increases, the residual impact of the COVID19 pandemic and the subsequent cost of living crisis/ economic situation on their income.
- 7.2. The Board has a legal duty to set a balanced budget and the recommendations in this report will reduce the budget gap by £0.287m. This set of measures will assist in mitigating the impact on service levels across the entire SLLC operation.
- 7.3. The SLLC Board will consider the decision of Council at its subsequent meeting scheduled for 28 February 2024, following the Council budget meeting, where it will consider the measures it will require to take to ensure it sets a balanced budget.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no climate change, sustainability and environmental implications as a result of this report.

9. Other Implications

- 9.1. There are no other implications as a result of this report.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. An Equalities Impact Assessment has been conducted in relation to the proposals by SLLC.
- 10.2. SLLC undertook a consultation survey between 24 November and 15 December 2023 as detailed in sections 4.4 and 4.5 of this report.

David Booth

Executive Director (Community and Enterprise Resources)

5 February 2024

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Executive Committee – 23 June 2021 – Cross Party Working Group Review of South Lanarkshire Leisure and Culture (SLLC) - Outcomes

List of Background Papers

- ◆ None

Contact for Further Information

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Appendix 1 – Activage benefits

Activage members get access to:

- ♦ 9 [swimming pools](#)
- ♦ 16 [fitness gyms](#)
- ♦ 9 health suites
- ♦ Racquet sports
- ♦ [Fitness classes](#)
- ♦ [East Kilbride Ice Rink](#)
- ♦ Libraries activities
- ♦ Cultural activities
- ♦ [Golf courses](#) (conditions apply)

In addition, there are a number of bespoke services and classes which are specifically designed for older adults:-

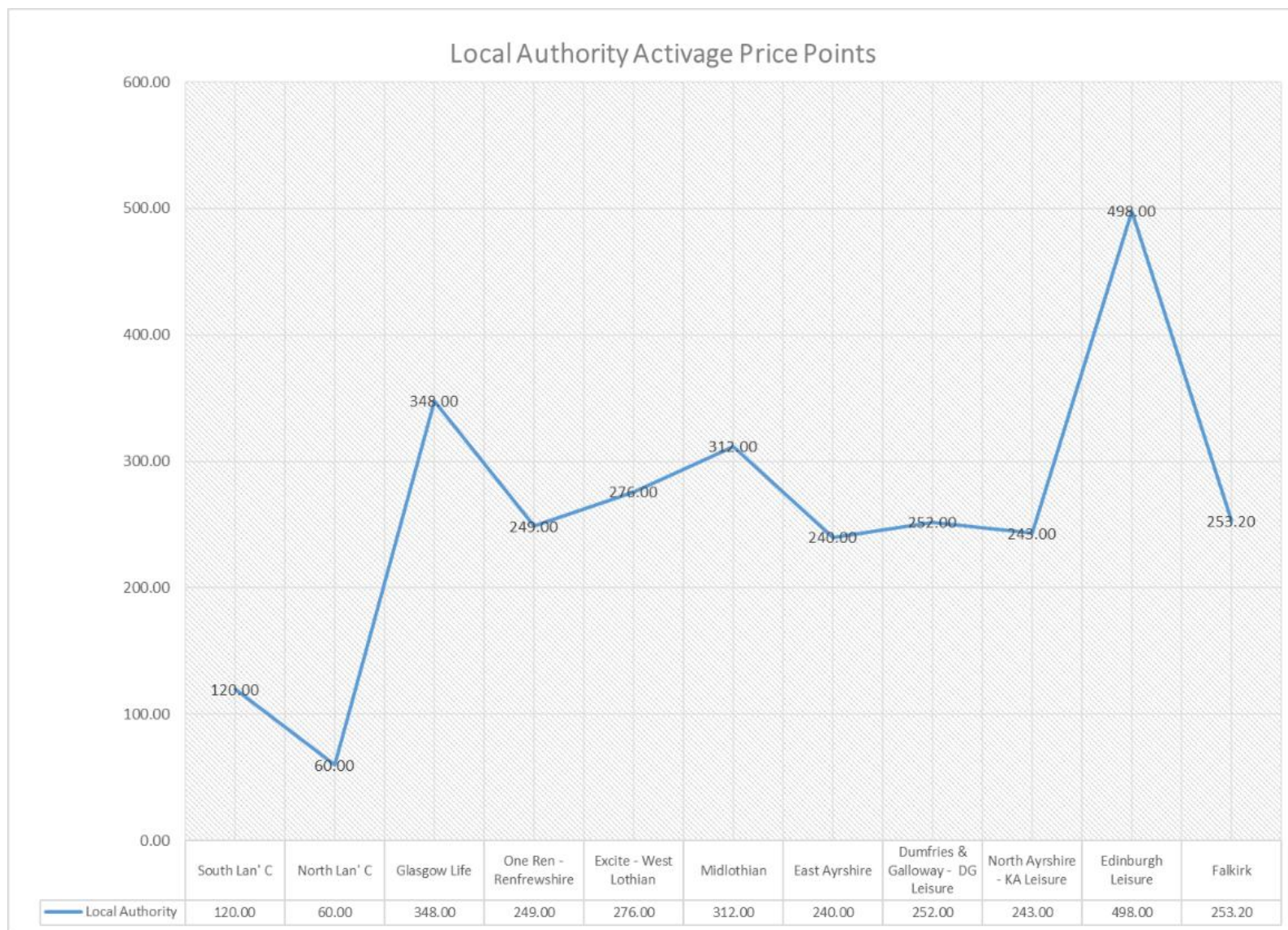
- ♦ Active Mondays: John Wright Sports Centre
- ♦ Active Tuesdays: Alistair McCoist Complex
- ♦ Active Wednesdays: Larkhall Leisure Centre
- ♦ Active Thursdays: Carluke Leisure Centre

Benefits

- ♦ Active Days are inclusive sessions allowing people to try a variety of different leisure and culture activities such as specially designed fitness sessions, music recitals, tea dances, walking football, Aquafit, free course of swimming lessons, personalised fitness programme. Attending the activities also provides the chance to have a cup of tea/coffee and a chat.
- ♦ Sign up at one of our five cultural venues and benefit from a one off offer of £20 off a ticket to a performance of your choice.
- ♦ Six free rounds of golf per year at any of our six golf courses, Monday-Thursday.
- ♦ Free one hour introductory session on how to research your family history.
- ♦ Access to library digital sessions, including how to access useful Apps, iPad basics or 3D printing workshops.
- ♦ Buy one coffee and get one free during specified times at:-
 - ♦ [East Kilbride Arts Centre](#) Mon-Fri 9:00am-4:00pm
 - ♦ [Rutherglen Town Hall](#) Mon-Fri 9:00am-4:00pm
 - ♦ [Chatelherault Country Park](#) 3:00pm-4:30pm, plus receive 20% off at retail shop
 - ♦ [Low Parks Museum](#) Mon-Fri 1:00pm-2:30pm, plus receive 20% off at retail shop
- ♦ Free pay to play with bowls hire at HPSG, Brancumhall and Strathaven Park, Tue-Thu
- ♦ Free tennis court hire HPSG and Strathaven Park (anytime – max 1 hour play)
- ♦ Free putting at Strathaven Park, 11am onwards Free pitch and putt at Brancumhall Golf Development Centre

Appendix 2 – Benchmarking

The below chart and table depict the findings of a benchmarking exercise into the Local authority fitness products. The table outlines which products closely matched the SLLC Activage product.



Activage Comparisons

Local Authority	Membership name	Cost monthly	Cost annually	What's included
SLC	Activage	-	£80.25	everything generally
NLC	Active 60	-	£60	Everything
Glasgow Life	No specific 60+ membership	£29	-	Everything
One Ren - Renfrewshire	Signature 65+	£25 (6mths £139, 12mths £249)	-	Gym/Swim/Classes and Online
Excite - West Lothian	Active 65+	£23.95 (single) £43 (couple)	-	Gym/swim/classes/ no golf range
Midlothian	Active Golden Years 65+	£31.20 (single) £55.60 (couple)	£312 (single) £556 (couple)	Swim/gym/health suite/running classes/tennis/bowls/putting
East Ayrshire	65+ as part of concession, disabled, unemployed, students, carers	£20.00	-	Gyms/fitness classes/swim/racquet sports
Dumfries & Galloway - DG Leisure	Prime Membership (receiving state pension)	£21.00	-	Gyms/swim/health suite/court hire
North Ayrshire - KA Leisure	60+ as part of concession	£20.30	-	Swim/gym/classes/track/ice rink
Edinburgh Leisure	65+ Concession	£41.50	-	Gym/swim/classes
Falkirk	No 60+ but can buy a Go Card which gives discounted rates	-	-	-

Appendix 3 – Consultation

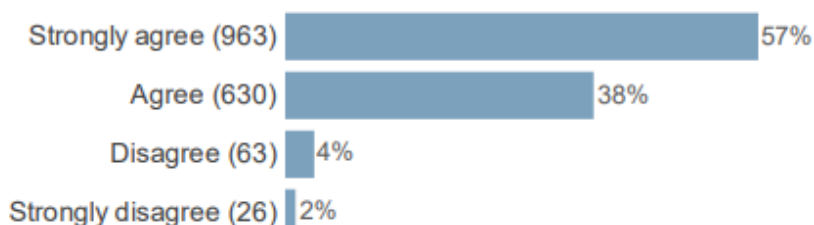
Included in the first phase of SLLC consultation with residents on savings proposals for 2024/25 were two elements relating to Activage. First, a qualifying question and, once established that the respondent was an Activage member, a follow up asking for a response to the statement: 'Activage is value for money'.

There was also a statement relating to potential general price increases. The responses are below:

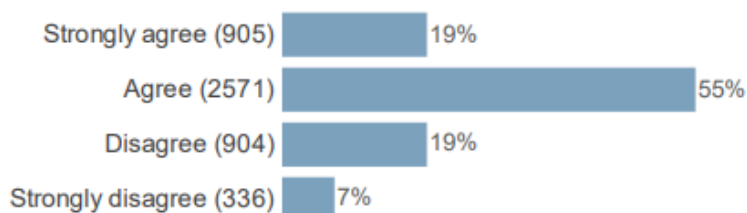
Are you an Activage Member?



Activage Membership is value for money.



I would be willing to accept price increases for the services provided by South Lanarkshire Leisure and Culture if it assisted in delivering continued service provision.



The consultation shows that 36% of respondents to the survey said they were Activage members and of the number responding to the statement relating to value for money, 95% strongly agree or agree that the product is value for money.

74% of all those responding to the survey statement relating to price increases (4,716) agreed very strongly or strongly that they would be willing to accept price increases for the services provided by SLLC if it assisted in delivering continued service provision.