

JUBILEE 2 HEALTH AND WELLBEING CENTRE FEES AND CHARGES

Submitted by: Executive Director – Operational Services, Dave Adams

Portfolio: Culture and Active Communities

Ward(s) affected: All

Purpose of the Report

To agree the fees and charges and car parking arrangements for the new Jubilee 2 Health and Wellbeing Centre

Recommendations

Cabinet are recommended to approve the proposed fees and charges and car parking arrangements for Jubilee 2 (attached at Appendix A).

Reasons

The fees and charges and car parking arrangements are proposed in order to achieve the approved business plan for Jubilee 2.

1. Background

- 1.1 Jubilee 2 is scheduled for completion on 2 December 2011. The building will be commissioned and become operational throughout December 2011 with the official opening weekend planned for 7 January 2012 to be supported by former Olympic swimmer Nick Gillingham and former Olympic athlete Dave Moorcroft.
- 1.2 The Appendix to this report sets out the proposed fees and charges for the Centre for the planned activity programmes.
- 1.3 The Centres main sports facilities are an aquatics centre comprising of an 8 lane 25m competition swimming pool and a 12m x 10m training pool with a moveable floor submersible to a depth of 1.5m; a climbing centre providing a 14m high climbing wall with abseil point, 4m bouldering wall and a traverse wall; a health and fitness centre offering a 97 station gym, activity zone and a multipurpose room that can be split into two studios by a sliding acoustic wall. There is an aqua sauna containing sauna, steam, foot spas, feature showers (ice and monsoon) and treatment room. These facilities are supported by quality changing and ancillary accommodation, including a café, the operation of which is subject to competitive tender.
- 1.4 The main car park for the centre will be the School Street car park, with Windsor Street and King Street providing the two nearest alternatives. Free parking operates on these car parks on Sundays; otherwise the charges apply between the hours of 8am and 9pm but parking is available 24 hours a day. The following table illustrates the current (2011/12) parking charges. The centre is also located within easy walking distance of Newcastle Bus Station.

School Street (Zone B)	
Up to 1 hour	0.90
Up to 2 hours	1.75
Up to 3 hours	2.65
Up to 4 hours	4.00
4 hours to 24 hours	5.00
Season Ticket - per quarter	220.00
Windsor Street (Zone B)	
Up to 1 hour	0.90
Up to 2 hours	2.00
Season Ticket - half hour after close of Hassell Street School, per annum)	2.25
King Street (Zone C)	
Up to 1 hour	0.65
Up to 2 hours	1.25
Up to 3 hours	1.80
3 hours to 24 hours	3.00
Season Ticket - per quarter	130.00

2. **Issues**

- 2.1 The centre will operate both membership and pay and play fees and charges, offering differential pricing at off peak times and for juniors and concessionary users. The proposed charges are detailed at Appendix 'A'.
- 2.2 It is proposed to still offer a membership at the current fees where a 6 month contract is entered into. This contract has been agreed with legal services.
- 2.3 Since the procurement of the recently installed leisure management system, the service has access to much greater and timelier management information and this is being used to proactively manage usage and performance. One of the first benefits has been an improvement to the gym membership (both direct debit and pay and play), Activ8 (leisure card) scheme and junior jets registration scheme. These have now been brought together under one card – The Lyme Card – which forms the first distinction for leisure centre customers in terms of fees and charges in so much as there are financial benefits in registering as a regular user for a Lyme Card.
- 2.4 The Lyme Card is issued to anybody who registers as a regular user and the information on the status of the card holder in terms of what facilities they are eligible to access and their account details are held on the management system.
- 2.5 Examples detailed in the Appendix illustrate how the card will work:
- 2.6 The car parking charges (above) are paid currently by customers using Jubilee Pool who travel by car and wish to use the car parks, although on street restrictions lift at 6pm and some customers choose to use the pay and display car parks later in the evening for free parking in the belief that enforcement is rare at this time. It is estimated that around 300,000 visits a year will be made to Jubilee 2 by car.
- 2.7 Customers at Knutton Recreation Centre, park for free and there are indications that despite the good public transport links, paying for parking may deter their use of J2.

2.8 Members are asked, therefore, to consider suitable car parking arrangements for J2 as follows in section 3. Alongside these proposals, an audit of town centre car parking usage and availability is being undertaken, which will take into account the expected future demand for car parking from users of J2.

3. **Options Considered**

3.1 Centre usage prices have been benchmarked with both the private sector and neighbouring local authorities and the charges selected are aimed to achieve good value for money for residents and market penetration.

3.2 A number of options were considered in relation to car parking. Through these considerations it emerged that arrangements should be put in place that were equitable to other businesses in the town centre as well as Jubilee 2. Details of car parking provision are shown in the appendix to this report.

5. **Reasons for Preferred Solution**

5.1 The fees and charges and car parking arrangements are proposed in order to achieve the approved business plan for J2.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

6.1 The pricing structure in this proposal has been designed to promote participation in sport and healthy and active lifestyles by all members of the community.

7. **Legal and Statutory Implications**

7.1 There are no legal or statutory implications of this report.

8. **Equality Impact Assessment**

8.1 The pricing structure in this proposal has been designed to achieve the Council's equality duties and uses off peak and differential pricing to attract juniors and concessionary users and thereby encouraging equity and opportunities for all.

9. **Financial and Resource Implications**

9.1 The attendance and projected net income from each income centre are summarised below:

Income centre	Attendance	Income (£)
Climbing	11,590	65,004
Rentals	24,288	40,214
Health & Fitness	265,561	594,073
Wet side	205,287	363,271
Secondary	-	43,126
Total	506,707	1,105,688

9.2 The charging structure, pricing and programmes proposed are designed to achieve the income targets and usage assumptions as set out in the business plan for J2. These will be closely monitored once the centre is open to identify any emerging variances from these assumptions.

10. **Major Risks**

- 10.1 Risk implications have been managed by benchmarking fees and charges and applying market intelligence, particularly in terms of industry norm costs, in the preparation of the business plan.

It is acknowledged that the usage assumptions set out in the business plan are liable to fluctuate as they are influenced by a range of external factors such as the local economic situation and competitor facilities. A range of marketing and promotional programmes will be deployed to raise awareness of the centre and encourage usage as well as ongoing monitoring of competitor facilities to ensure J2 remains good value for money within that market.

11. **Sustainability and Climate Change Implications**

- 11.1 The fees and charges proposed in this report are designed to have a positive influence on the climate impact of increased participation in sport and active lifestyles

12. **Key Decision Information**

- 12.1 This is a key decision and is included on the Council's Forward Plan.

13. **Earlier Cabinet/Committee Resolutions**

None

14. **List of Appendices**

Appendix 'A' - Jubilee 2 Health and Well Being Centre Proposed Fees and Charges.

15. **Background Papers**

Planned activity programmes