

**CULTURE & LEISURE REVIEW  
COMMITTEE****11 NOVEMBER  
2008****Wellness Centre Pricing Comparison****REPORT OF THE DIRECTOR OF COMMUNITY AND CULTURAL SERVICES****Strategic Priority : Healthy City****Corporate Improvement Objectives: CIO1, CIO3, CIO4****1. Why has this report come to the Committee?**

- 1.1 The purpose of this report is to provide an overview of Wellness Centre prices and comparing Sunderland's prices to other regional local authorities.
- 1.2 Sunderland's Sport and Physical Activity Strategy 2005-2010 sets out how Sunderland's Local Strategic Partnership would contribute to the achievement of this vision, through the development of sport and physical activity opportunities across the city.
- 1.3 Managed on behalf of the Local Strategic Partnership by the Community and Cultural Services Directorate, the city's Sport and Physical Activity Strategy will have a measurable impact upon the Sunderland Strategy's previously agreed eight key priorities, emphasising the need for sport and physical activity to be developed within the context of a rapidly changing environment.
- 1.4 The Corporate Improvement Plan 2007-2008 sets out the Council's commitment to residents stating that "in Sunderland everyone will have access to quality sport and physical activity opportunities to improve their health and well-being at first class community based facilities."

**2. Background**

- 2.1 Members may recall at a joint meeting of the Policy and Coordination Review and the Culture and Leisure Review Committees on 19 June 2008, receiving a report on the Wellness Pricing Framework.
- 2.2 To complement the report, Members were provided with a comprehensive presentation on Wellness Centre Pricing, the scope of which included:
  - The background as to why the pricing review was initiated
  - Guidance for pricing and the setting of fees and charges
  - Principles for the Wellness pricing framework
  - How fees and charges are set
  - The affect of the pricing framework on memberships
- 2.3 At the Culture and Leisure Review Committee meeting held on 15 July 2008, it was agreed that the Wellness Pricing Structure would be considered in the committee's 2008/09 work programme. It was proposed that a report is brought to the November 2008 committee meeting which will provide Members an examination of the Wellness Pricing Structure, including comparisons with other local authorities.

- 2.4 The report will also provide information on the review committee's proposed undertaking of an annual review of the pricing policy framework relating to Wellness Centres.

### **3. Wellness Centre Pricing**

- 3.1 The Choosing Health White Paper (2004) and its subsequent action plan Choosing Activity (2005) identified the key priorities to which physical activity should be contributing and these include, heart diseases, improving health and mental health and providing children and young people with more opportunities to be active beyond school hours.
- 3.2 In order to address these identified health challenges it is essential that services are easily accessible to the community, particularly in terms of cost, which research has identified as a potential barrier for some residents and especially those living in areas of high deprivation. The Council's pricing framework for sport and leisure services and activities has, over time, been subject to a range of amendments and adaptations leading to some complexities in its application.
- 3.3 In addition, historically pricing has been affected by the quality of the facilities on offer, and where facilities were ageing, prices have been reduced to encourage participation. The Council's recent commitment to major investment into facility development has enabled the emergence of new products and has stimulated a review of the pricing framework and the services offered. It is considered that prices, where people can afford, should be representative of the quality of products, services and facilities on offer.
- 3.4 Members will be aware that the Council is nationally acclaimed for its commitment to target "hard to reach" groups. This was recognised by Government through the award of Beacon Status in Culture and Sport for Hard to Reach Groups 2006 and Reducing Health Inequalities 2008. The emphasis of this report builds upon this work, demonstrating that products offered by Sunderland, in comparison to other local authorities are more affordable to those residents for whom price is a barrier to participation. This approach ensures there is greater opportunity to encourage regular access in line with the city's key performance indicator of 3 x 30minutes of physical activity per week.
- 3.5 There are a number of factors which have emphasised the need to establish a more accessible pricing policy. One of which was a commitment in the Sport and Physical Activity Strategy 2005, to produce a Pricing Framework, linked to the Audit Commission's "Price is Right" guidance. This approach promotes access and thus supports the Government target of raising participation in physical activity by 1% annually up to 2020.
- 3.6 The Audit Commission promotes the best use of public money by challenging those responsible for public services to achieve economy, efficiency and effectiveness. The Commission considered that very few Councils' are getting the best out of charging for the services they provided. They quote that, "reviews of charges typically involve rubber-stamping incremental price hikes driven by budget necessities". Thus prices for services generally increase a little each year, without any real thought going in to whether (for example) low income users are facing charges they can't afford, or other users are paying far below what they are willing or able to pay.

- 3.7 The Audit Commission recommended that Councils' consider, among other things, who benefits from the services they offer and ask why certain services were being subsidised and what the Council was looking to achieve by this. It was against this backdrop of Government guidance and the Council's own strategy, that the review of pricing was undertaken.
- 3.8 The Audit Commission recommended that Councils' consider who benefits from the services they offer and ask why certain services were being subsidised and what the Council was looking to achieve by this. They considered a thoughtful review of the level of charges could underpin the continuous improvement of services. The income that charges generate could be used to improve services and facilities.
- 3.9 Investment in sport in the city is enabling improvements to be seen in facilities such as Wellness Centres, play and urban games facilities and swimming pools. These investments are complimenting existing regional facilities, which most other local authorities are not able to provide such as a tennis centre, ski slope, in addition to a citywide spread of leisure centres.
- 3.10 The current Wellness Centre prices are as follows

**Membership Packages**

<b>Prices are Per Month</b>	<b>Adult Non Concession</b>	<b>Adult Concession</b>	<b>Young Person Non Concession</b>	<b>Young Person Concession</b>
<b>Package 1</b>				
Wellness Centre only	31.00	13.95	15.50	10.85
Wellness Classes only				
Swim only				
<b>Package 2</b>				
Wellness Centre & Swim	35.00	15.75	17.50	12.25
Wellness Centre & exercise classes				
Swim & exercise classes				
<b>Package 3</b>				
Wellness Centre, exercise classes & swim	39.00	17.55	19.50	13.65

**Casual Prices**

	<b>Non Member</b>	<b>Adult</b>		<b>Young Person</b>	
		<b>Non Concession</b>	<b>Concession</b>	<b>Non Concession</b>	<b>Concession</b>
<b>Wellness Gym Casual</b>	4.80	4.30	2.90	3.85	2.40
<b>Wellness Classes</b>	4.40	3.95	2.65	3.50	2.20

- 3.10 The scope of this report will include the comparison of fitness prices with other regional local authorities specifically relating to:
- Annual / monthly membership packages
  - Casual prices relating to fitness suites and exercise classes

#### 4. Pricing Comparison

4.1 It should be noted that making comparisons with other local authorities can provide a benchmark as to where prices could be “pitched”, however it is difficult to make meaningful comparisons on the basis that each Council has different pricing structures, social objectives, business objectives, standards of facilities, number of facilities available and financial standing.

4.2 **Appendix 1** details a comparison of prices with the following local authorities

- North Tyneside
- South Tyneside
- Gateshead
- Newcastle
- Easington
- Chester-le-Street
- Tynedale
- Durham City

#### 5. Conclusion

5.1 In conclusion, it has been difficult to make meaningful comparisons with other local authorities pricing structures, consequently it has not always been possible to ‘compare like with like’. The comparison has been restricted to price and therefore does not show Sunderland’s commitment towards increasing **choice** through the number of Wellness Centres available citywide (6 Wellness Centres and 4 spoke sites), or the **quality** of the equipment within the Centres which provides enhanced data capture facilities to aid the customer, the Council and its partners.

5.2 Sunderland has a commitment towards increasing participation for those residents who are less able to access Wellness facilities based on their financial circumstances. The Council’s pricing framework is predicated on ability to pay and channelling greater subsidy to those for whom price may be a barrier to participation and thus better health. Young people, pensioners, students and those residents in receipt of benefits, generally all pay less for their fitness service in Sunderland in comparison to other local authorities.

5.3 Sunderland was generally higher in price for adult non concession activities compared to other authorities, but provides more flexibility within its monthly memberships for customers to cancel with a months notice. Other local authorities have a policy of ‘tying in users’ to lengthy contracts, or with three month cancellation periods. This is not the case in Sunderland. A Sunderland resident can join for as little as a month or indeed longer and then cancel when their circumstances change.

5.4 All children and young people living in Sunderland can access a Life Card free of charge. The Life Card provides automatic access to price discounts. All other local authorities charge for the cost of this card. In Sunderland resident young people can access cheaper activities without paying the normal cost for a leisure card (estimated £5 - £10).

5.5 In relation to casual prices, Sunderland were comparable with other local authorities. However, it was also evident from the review that Sunderland does

offer concessionary categories on a casual participation level, unlike some other local authorities.

- 5.6 As a Wellness Service, we continued to listen to our customers and based on valuable feedback from Elected Members and residents we reviewed pricing arrangements for pensioners. All residents in Sunderland who are in receipt of a state pension can access concessionary prices. This is a category of user that some other local authorities choose not to recognise in their pricing policy.
- 5.7 The aim of the Wellness pricing framework is to increase the accessibility of services, by making them more affordable to those people on low incomes. Thus the focus is “ability to pay”. Sunderland City Council's policy remains as it always has, to target subsidies at those who need them most. This approach promotes access, equality and thus supports the Government target of raising participation in physical activity by 1% annually. By adopting an all inclusive approach towards its Wellness pricing, Sunderland will make a positive contribution towards participation levels in physical activity and residents’ health.

**6. Recommendation**

- 6.1 Members of the Committee are requested to note the content of this report.

**7. Background Papers**

- 7.1 The following background papers were relied upon to compile this report
- Audit Commission’s “Price is Right”

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**Appendix 1 – Comparison with Other Regional Local Authorities**

NB. Sunderland's prices have been **highlighted** for comparison. Due to the different local authority pricing structures it is not often possible to compare 'like with like'.

**North Tyneside****Monthly Fitness/Swimming/Exercise Classes**

- Non member £351 per annum - £29.95 per month (**Sunderland £39 per month**)
- Concession £249 per annum - £20.75 per month (**Sunderland £17.55 adult concession; £13.65 young person concession per month**)
- 3 month option - £34 per month

**Casual Gym / Fitness Suite**

	Adult			OAP			Junior		
	No card	Card	Concess	No card	Card	Concess	No card	Card	Concess
Gym	5.10	4.00	3.00	3.40	2.60	2.20	3.40	2.30	

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concess	Concession
Wellness Gym Casual	4.80	4.30	2.90	3.85	2.40

**Casual Exercise Class**

	Adult			OAP			Junior		
	No card	Card	Concess	No card	Card	Concess	No card	Card	Concess
Class	4.00	3.20	2.30	4.00	3.20	2.30	-	-	-

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concess	Concession
Wellness Class	4.40	3.95	2.65	3.50	2.20

**Comments****Monthly Package**

- North Tyneside have annual contracts tying members in, with limited flexibility, although a 3 month package is available
- North Tyneside adult non concession prices are cheaper compared to Sunderland
- Concessionary prices are higher in North Tyneside compared to Sunderland
- No young people price options, therefore prices are higher compared to Sunderland

**Casual Prices**

- Adult Gym / Fitness Suite prices are generally higher in North Tyneside for adults
- Gym / Fitness Suite prices for older people are slightly cheaper in North Tyneside
- Gym / Fitness Suite prices for younger people are slightly cheaper in North Tyneside
- Exercise classes are slightly cheaper in North Tyneside
- Sunderland offer junior exercise classes

**South Tyneside****Monthly Fitness Suite/Swimming**

- £31.25 per month (**Sunderland £39 per month**)
- (**Sunderland £17.55 adult concession; £13.65 young person concession per month**)
- £40 for a 30 day pass

**Casual Fitness Suite**

	Standard	Member
Adult	5.40	4.00
Junior	3.50	2.00

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concession	Concession
<b>Wellness Gym Casual</b>	<b>4.80</b>	<b>4.30</b>	<b>2.90</b>	<b>3.85</b>	<b>2.40</b>

**Casual Fitness Classes**

	Standard	Member
Adult	3.95	2.95
Junior		

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concession	Concession
<b>Wellness Class</b>	<b>4.40</b>	<b>3.95</b>	<b>2.65</b>	<b>3.50</b>	<b>2.20</b>

**Comments****Monthly Package**

- Limited choice of leisure facilities in South Tyneside where this can be used.
- Annual contracts, unlike Sunderland Wellness Centres where customers can join for say 3 months then cancel
- South Tyneside have a 30 day package for £40, which is more expensive than Sunderland
- Young people and concessionary residents in Sunderland can access facilities at a cheaper rate, as South Tyneside do not provide this choice

**Casual Prices**

- Casual adult prices are slightly cheaper in South Tyneside
- Sunderland provides a cheaper concessionary prices at 2.65 adult and 2.20 young person
- No concessionary prices offer by South Tyneside
- Sunderland offer junior exercise classes

**Gateshead****Monthly Fitness Suite/Swimming/Classes**

	Standard	Non resident card	Resident card
Adult	30.00	27.00	25.00
14-17 yrs, student, 60+	30.00	20.00	17.50

<b>Sunderland Prices</b>	<b>Adult Non Concession</b>	<b>Adult Concession</b>	<b>Young Person Non Concession</b>	<b>Young Person Concession</b>
<b>Package 3</b>				
Wellness Centre, exercise classes & swim	39.00	17.55	19.50	13.65

**Casual Fitness Suite**

	Standard	Non resident card	Resident card
Adult	4.55	4.00	3.60
14-17 yrs, student, 60+	4.55	2.40	2.20

<b>Sunderland</b>	<b>Non Member</b>	<b>Adult</b>		<b>Young Person</b>	
		<b>Non Concess</b>	<b>Concession</b>	<b>Non Concession</b>	<b>Concession</b>
<b>Wellness Gym Casual</b>	<b>4.80</b>	<b>4.30</b>	<b>2.90</b>	<b>3.85</b>	<b>2.40</b>

**Casual Exercise Classes**

	Standard	Non resident card	Resident card
Adult	3.80	3.20	3.00
14-17 yrs, student, 60+	3.80	1.85	1.75

<b>Sunderland</b>	<b>Non Member</b>	<b>Adult</b>		<b>Young Person</b>	
		<b>Non Concess</b>	<b>Concession</b>	<b>Non Concession</b>	<b>Concession</b>
<b>Wellness Class</b>	<b>4.40</b>	<b>3.95</b>	<b>2.65</b>	<b>3.50</b>	<b>2.20</b>

**Comments****Monthly Package**

- Concessionary prices in Gateshead are higher compared to Sunderland
- Annual contracts, unlike Sunderland Wellness Centres where customers can join for say 3 months then cancel.
- Limited young people price options. Sunderland has competitive young people's prices
- Adult monthly prices are cheaper in Gateshead

**Casual Prices**

- Casual Fitness Suite prices are slightly cheaper compared to Sunderland

- Casual Fitness Classes are cheaper compared to Sunderland
- Sunderland offer concessionary prices for those in receipt of benefits

**Newcastle**

Monthly Fitness Suite/Swimming/Classes

- Annual fee £330.00 - £27.50 per month (**Sunderland £39 per month**)
- (**Sunderland £17.55 adult concession; £13.65 young person concession per month**)
- 3-month student card £80.00 - £26.66 per month (**Sunderland £17.55 per month**)
- Monthly card £40.00 (**Sunderland £39 per month**)

Casual Fitness Suite

	Standard	Leisure Card	Priority Card
Adult	5.00	4.50	3.00
60+	3.55	3.20	2.15

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concession	Concession
<b>Wellness Gym Casual</b>	<b>4.80</b>	<b>4.30</b>	<b>2.90</b>	<b>3.85</b>	<b>2.40</b>

Casual Exercise Classes

	Standard	Non resident card	Priority card
Adult	4.00	3.60	2.40

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concession	Concession
<b>Wellness Class</b>	<b>4.40</b>	<b>3.95</b>	<b>2.65</b>	<b>3.50</b>	<b>2.20</b>

Comments

Monthly Package

- Newcastle have annual contracts tying members in, with limited flexibility, although a 3 month student package is available
- Newcastle adult prices are cheaper compared to Sunderland
- Concessionary prices are not available in Newcastle
- A monthly membership is available at £40, which is more expensive than Sunderland
- No young people price options (except student card), therefore prices are higher in Newcastle compared to Sunderland

Casual Prices

- Casual Fitness Suite prices are comparable to Sunderland
- Casual Exercise Classes are slightly cheaper compared to Sunderland

EasingtonMonthly Gym, Classes and Swimming

	Monthly	Admin Fee
Adult Peak	£40.00	£35.00
Active/50+ club – off peak	£25.00	£35.00
Active cooperate life/active student life	£32.00	£35.00
Over 60's/ registered disabled	£22.00	£35.00
Swimming, sauna and aqua classes	£20.00	£35.00

<b>Sunderland Prices</b>	<b>Adult Non Concession</b>	<b>Adult Concession</b>	<b>Young Person Non Concession</b>	<b>Young Person Concession</b>
Package 3				
Wellness Centre, exercise classes & swim	39.00	17.55	19.50	13.65

Casual Gym

	Standard	Leisure Card	
Adult	4.50	2.00	Only use cards 10am – 3pm weekdays and weekends
Junior	2.50	1.50	Only use cards 10am – 3pm weekends and holidays

<b>Sunderland</b>	<b>Non Member</b>	<b>Adult</b>		<b>Young Person</b>	
		<b>Non Concess</b>	<b>Concession</b>	<b>Non Concession</b>	<b>Concession</b>
<b>Wellness Gym Casual</b>	<b>4.80</b>	<b>4.30</b>	<b>2.90</b>	<b>3.85</b>	<b>2.40</b>

Casual Exercise Class

	Standard	Leisure Card
Adult	4.00	2.00

<b>Sunderland</b>	<b>Non Member</b>	<b>Adult</b>		<b>Young Person</b>	
		<b>Non Concess</b>	<b>Concession</b>	<b>Non Concession</b>	<b>Concession</b>
<b>Wellness Class</b>	<b>4.40</b>	<b>3.95</b>	<b>2.65</b>	<b>3.50</b>	<b>2.20</b>

CommentsMonthly Package

- Only one pool in Easington and two leisure centres – less choice than Sunderland
- Sunderland is cheaper than Easington for adult monthly fees and concessionary charges
- No young people price options, therefore prices are higher compared to Sunderland

Casual Prices

- Casual gym sessions in Easington are comparable to Sunderland. However, leisure card sessions are restricted in Easington.
- Casual exercise classes are cheaper in Easington

**Chester-le-Street****Monthly Package**

- Adult (peak) - £293.00 per annum - £24.42 per month (**Sunderland £39 per month**)
- 18-24 (peak) - £250 per annum - £20.83 per month (**Sunderland £17.55 adult concession**)
- Under 18's - £150 per annum - £12.50 per month (**Sunderland £13.65 young person concession per month**)

**Casual Fitness Suite**

- Adult - £4.90 (standard), £4.40 (with leisure card)
- 18-24 - £4.40 (standard), £3.10 (with leisure card)

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concession	Concession
Wellness Gym Casual	4.80	4.30	2.90	3.85	2.40

**Casual Fitness Classes**

- £3.50 (standard), £3.10 (with leisure card)

Sunderland	Non Member	Adult		Young Person	
		Non Concess	Concession	Non Concession	Concession
Wellness Class	4.40	3.95	2.65	3.50	2.20

**Comments****Monthly Package**

- Limited choice of leisure facilities in Chester-le-street where this can be used. One pool in Chester-le-Street.
- Annual contracts, unlike Wellness Centres where customers can join for say 3 months then cancel.
- No OPA concession fees offered by Chester-le-Street, only an off peak price.
- Limited young people price options, however, prices are low and comparable to Sunderland
- Adult monthly prices are cheaper in Chester-le-Street, but this does not take into account the quality of the venues or machines

**Casual Prices**

- Casual Fitness Suite prices are slightly more expensive compared to Sunderland
- Casual Fitness Classes are cheaper compared to Sunderland
- Sunderland offer cheaper concessionary prices for both the gym and exercise classes

**Tynedale****Fitness, swim and classes**

- Adults - £37.45 per month (**Sunderland £39 per month**)
- 60 + - £26.20 per month (**Sunderland 17.55 per month**)

- Junior/student - £22.45 per month (**Sunderland student £17.55, young person concession £13.65, non concession £19.50**)

Fitness and Classes only

- Adults - £30.65 per month (**Sunderland £35 per month**)
- 60 + - £21.40 per month (**Sunderland 15.75 per month**)
- Junior/student - £18.40 per month (**Sunderland student £15.75, young person concession £12.25, non concession £17.50**)

Casual Prices

- No casual prices are promoted by Tynedale

Comments

- Minimum 12 month contract, unlike the flexibility of Sunderland
- Adult prices are comparable to Sunderland
- Limited concessionary categories, unlike Sunderland
- Sunderland is cheaper for concessionary users (OAP's and young people)
- Young people price options are higher in Tynedale compared to Sunderland

**Durham**

Swimming/fitness suite/classes

- Gold (any time) £35 per month (**Sunderland £35 per month**)
- Silver (off peak) £27 per month

Fitness only

- Gold Membership (any time) £21.95 per month (**Sunderland £31.00 per month**)
- Silver Membership (off peak) £16.75 per month

Comments

Monthly Package

- Limited categories for users
- No concessionary categories, unless off peak prices are regarded as concessionary, therefore Sunderland is cheaper for concessionary users
- Annual contracts, with limited flexibility
- No young people price options, therefore prices are higher compared to Sunderland

Casual Prices

- No casual prices are promoted by Durham

*Note: Administration fees and induction fees have been included in the package prices (unless stated)*