

NORTH LINCOLNSHIRE COUNCIL

**SPORT, LEISURE AND CULTURE
CABINET MEMBER**

NORMANBY HALL COUNTRY PARK ADMISSION CHARGES 2011-12

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider the admission prices for Normanby Hall Country Park for 2011-12 season.
- 1.2 The key points of the report are as follows.
- Work needs to start in December 2010 in promoting the park for the 2011-12 season.
 - To do this effectively the admission prices need approval for inclusion in promotional material, which is prepared for, print in December 2010.
 - Officers have taken account of performance against income targets in this year to bring forward recommendations for future prices. Also, market intelligence from across the sector.

- 2.1 Season Ticket sales up to the end of September 2010 totalled 7,097. This is a decrease of 798 on sales for the same period in 2009. As such the Country Park failed to reach its target for the sale of season tickets by £6,048 last year.
- 2.2 The sale of day tickets, however, exceeded its target by £11,766.
- 2.3 Advice from the Finance Service suggests that income targets will increase by 2.5% in 2011-12. In addition VAT will rise to 20% in January 2011. These increases could create a budget pressure of £7,000. Officers have calculated the new fees suggested with a view to meeting this pressure.
- 2.4 The proposed prices for 2011-12 are set out below:

Ticket Category	Proposed 2011 Price
Individual Tickets	
Adult	£5.50
Child	£2.80

Over 60	£5.00
Adult Concession	£2.80
Child concession	£1.40
Over 60 concession	£2.50
Season Tickets	
Family Season Ticket	£19.50
Season Ticket for Two	£15.50
Season Ticket for One	£12.00
Group Season Ticket (up to 20 people)	£43.00
Group Visits	
Adult	£5.00
Child	£2.50
Over 60	£4.50
Group visit with guided tour	
Adult	£7.50
Child	£3.75
Over 60	£6.75
Car parking	£3.00

2.3 Officers have taken account of the following issues in recommending the prices for the 2011-12 season.

- The Corporate charging Framework (CCF) and the need to exercise commercial judgement in setting the price levels
- Benchmarking with other similar attractions
- Customer feedback from current charges
- VAT and Income target increases
- Maximising the income to the Country Park
- Rounding of prices to fit within CCF
- Balancing the relative impact of effective marketing and price increases on income generation.
- The difficult financial circumstances facing the council and the implications for service budgets, particularly non-statutory functions such as Normanby Hall Country Park.

3. OPTIONS FOR CONSIDERATION

3.1 The objective of the pricing strategy suggested for next season is to meet financial targets for the service. As such, there are three options for the Cabinet Member to consider.

- 3.1.1 **Option 1** – keep the prices the same as the current year.
- 3.1.2 **Option 2** – increase prices as set out above.
- 3.1.3 **Option 3** – Suggest alternative price increases to those set out above.

4. **ANALYSIS OF OPTIONS**

- 4.1 Officers believe that Option 1 would inevitably fail to achieve financial targets for the service.
- 4.2 Option 2 coupled with the early bird discount of £1.00 on season tickets purchased before 1 June 2011 and a targeted marketing campaign offers a better opportunity to increase season ticket sales in order to achieve the financial targets facing the service.
- 4.3 Option 3 is difficult to evaluate. However, setting prices below those suggested could result in the service failing to operate within its cash limited budget settlement.
- 4.4 Longer-term investment in product development is also required to improve the offer to our customers. This will prove difficult to achieve in the current financial climate.
- 4.5 Officers are planning increased promotional activity. This is irrespective of the option selected. One idea is to market season tickets as Christmas presents.

5. **RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1 The decision taken by the Cabinet Member will have a potentially significant impact on the ability of the service to operate within financial targets.
- 5.2 There are no other implications.

6. **OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

- 6.1 Diversity – any price rises could impact on access to services for those least able to pay. A range of discounted prices goes some way toward mitigating this risk.
- 6.2 Keeping admission prices at an affordable level will have a positive impact on the Community Strategy shared ambition of *“Improving wellbeing by promoting participation in Leisure and Culture”*.

7. **OUTCOMES OF CONSULTATION**

- 7.1 Officers took account of customer feedback on prices in preparing the proposed prices. These suggest that reasonable price rises are acceptable.

8. RECOMMENDATIONS

- 8.1 That the Cabinet Member agrees the admission prices for 2011-12.
- 8.2 That the Cabinet Member agrees the 'early bird' promotion for the Season Ticket which offers £1.00 reduction on all Season Tickets purchased before 1 June 2010.

SERVICE DIRECTOR ASSET MANAGEMENT AND CULTURE

Hewson House
Station Road
BRIGG
North Lincolnshire
DN20 8XJ
Author: Neil Jacques
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Background Papers used in the preparation of this report: none