

## ANGUS COUNCIL

**CONTRACT SERVICES COMMITTEE - 13 NOVEMBER 2001  
RECREATION SERVICES COMMITTEE – 15 NOVEMBER 2001**

**LEISURE MANAGEMENT SPECIAL PROMOTION**

**JOINT REPORT BY THE CONTRACT SERVICES MANAGER AND  
DIRECTOR OF RECREATION SERVICES**

**ABSTRACT**

The purpose of this report is to ask the Committee to homologate the decision by the Contract Services Manager and Director of Recreation Services to run a special promotion to encourage additional use of the Council's leisure facilities.

**1. RECOMMENDATION**

The Committee is asked to homologate the decision by the Contract Services Manager and Director of Recreation Services.

**2. BACKGROUND**

The analysis of the income of the leisure facilities for the current and two previous financial years has highlighted a downward trend. Between January and March 2002 this trend has been estimated to amount to a reduction in income of £15,000 over the same period last year. In order to try and reverse this trend Contract Services and Recreation Services have been looking at a promotional campaign to try and raise awareness of the Council's leisure facilities in Angus and encourage new use.

The timing of the promotion is to try and take advantage of the Christmas buying market and encourage more people to use the facility and/or try different activities in the New Year. Also to try and retain both existing and new customers.

**3. CURRENT POSITION**

The details of the promotion are as follows. It should be noted that it is not specifically targeted at existing frequent users.

**Aims and Objectives:**

- To Increase utilisation of facilities – target 10%
- To increase revenue
- To attract non-users to the facilities
- To highlight and encourage use of other activities to existing users

**Campaign Period:**Friday 9 November 2001

Start of marketing the promotion via Supermarkets, newspaper editorial, flyer distribution via schools and Cleansing Services, SHAW, Council Intranet and e-mail.

Monday 12 November 2001 to Thursday 31 January 2002

Sale of Promotional Cards

Thursday 3 January to Sunday 31 March 2002

Promotion duration

**N.B.** The promotional cards will only be sold between November 2001 and January 2002 and can only be used between 3 January and 31 March 2002.

### **Conditions of Use:**

- Cards entitle customers to ten one-hour sessions of any Centre run activities (2 hours for Health Suite)
- Cards can only be used between the period of 3 January to 31 March 2002
- Cards can only be purchased up to the 31 January 2002
- Cards are non transferable
- Cards cannot be used to pay for other cardholders using facilities
- Cards can be used at all Angus Council Leisure Facilities (including High School Facilities)
- No refund will be given for non-used cards after the promotion
- Cards must be signed by the cardholder
- Cards must be produced to gain entry
- The cardholder can use facilities during opening hours. It does not guarantee the holder access to the facilities or booking of any facility.

**N.B.** Usage will not include courses, clubs and privately run classes.

The Promotional Card will be sold at one set charge of £19.00 per 10 uses.

#### **4. CONCLUSIONS**

The Contract Services Manager in consultation with the Director of Recreation Services and Director of Finance believes that the promotion will potentially increase usage and income from the facilities.

The final result of the promotion will be reported back to the Committee once the outcome has been established.

#### **5. FINANCIAL IMPLICATIONS**

If 50% of our current users buy the card and no cards are sold to new customers there would be a potential loss of income of £9,000. While it is highly unlikely that this situation would occur it has been used as a worst case scenario and to negate this loss approximately 567 cards would have to be sold. Any loss of income plus all printing, advertising and staff costs would be contained within the Contract Services existing marketing budget.

Target numbers for the sale of cards have been given to each facility, with these being based on the current usage of the facility and the requirement to increase the cash income over the period by the targeted 10%. Over the nine facilities a 10% increase requires that some 2480 cards be sold in total. If these targets are met the cash income over the period should be increased by some £25,000. Management including facility-based Operations Managers considers these targets realistic.

#### **6. HUMAN RIGHTS IMPLICATIONS**

There are no Human Rights implications arising from this report.

#### **7. CONSULTATION**

The Chief Executive, Director of Finance and the Director of Law and Administration have been consulted in the preparation of this report.

**M P Graham**  
**Contract Services Manager**  
**1 November 2001**

**J R Zimny**  
**Director of Recreation Services**

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.