

Aberdeenshire Council

Integrated Impact Assessment

2025/26 Budget - Price Review based on Market Conditions and Budget Requirements

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| Assessment ID | IIA-002543 |
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| Approved By | Avril Nicol |
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1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

10% price increase which will be c.6-7% more than inflation. This would not be flat lines, rather include a market review of LLA fees and charges with the objective of pricing in demand products to tolerable market rates, and to protect and safeguard pricing for those products and services which are already at tolerance levels. In total, the objective would be to increase pricing based on current usage to achieve a 10% uplift in income. Some products may go up more, for example the gym membership is currently priced at the budget market at £20.01 yield. To move the yield to £25.00 would require an uplift of c.25%, but £5 per month to the individual in real terms. This is less than the price of one pay and play gym session.

During screening 1 of 11 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 1 out of 5 detailed impact assessments being completed. The assessments required are:

- Equalities and Fairer Scotland Duty

In total there are 0 positive impacts as part of this activity. There are 0 negative impacts, all impacts have been mitigated.

A detailed action plan with 1 points has been provided.

This assessment has been approved by avril.nicol@aberdeenshire.gov.uk.

The remainder of this document sets out the details of all completed impact assessments.

2. Screening

| | |
|---|-----|
| Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres? | No |
| Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities? | No |
| Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources? | No |
| Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community? | No |
| Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity? | No |
| Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics? | No |
| Is this activity / proposal / policy of strategic importance for the council? | No |
| Does this activity / proposal / policy impact on inequality of outcome? | No |
| Does this activity / proposal / policy have an impact on children / young people's rights? | No |
| Does this activity / proposal / policy have an impact on children / young people's wellbeing? | No |
| Does the activity / proposal / policy relate to budget proposals? | Yes |

3. Impact Assessments

| | |
|-------------------------------------|---------------------------------------|
| Children's Rights and Wellbeing | Not Required |
| Climate Change and Sustainability | Not Required |
| Equalities and Fairer Scotland Duty | All Negative Impacts Can Be Mitigated |
| Health Inequalities | Not Required |
| Town Centre's First | Not Required |

4. Equalities and Fairer Scotland Duty Impact Assessment

4.1. Protected Groups

| Indicator | Positive | Neutral | Negative | Unknown |
|-------------------------------|----------|---------|----------|---------|
| Age (Younger) | | Yes | | |
| Age (Older) | | Yes | | |
| Disability | | Yes | | |
| Race | | Yes | | |
| Religion or Belief | | Yes | | |
| Sex | | Yes | | |
| Pregnancy and Maternity | | Yes | | |
| Sexual Orientation | | Yes | | |
| Gender Reassignment | | Yes | | |
| Marriage or Civil Partnership | | Yes | | |

4.2. Socio-economic Groups

| Indicator | Positive | Neutral | Negative | Unknown |
|--------------------------|----------|---------|----------|---------|
| Low income | | Yes | | |
| Low wealth | | Yes | | |
| Material deprivation | | Yes | | |
| Area deprivation | | Yes | | |
| Socioeconomic background | | Yes | | |

4.3. Evidence

| Type | Source | It says? | It Means? |
|---------------|-------------|--|--|
| Internal Data | Budget data | 10% income would result in uplift of £690k per annum | An above inflation increase of 7% to achieve £690k more income through pricing based on 2024/25 budget. The bulk of this will be achieved through the membership product price increase. |

| Type | Source | It says? | It Means? |
|-----------------------|--|---|--|
| Internal Data | Internal review of other gyms locally and nationally | That LLA pricing for standard gym, class and swim membership is at the lowest end of the market. Raising the price by £5 would not change this, and shows that the market can take an increased price for an improved product. This includes discounted memberships where others have these also. | LLA has capacity to generate income to the council through appropriate pricing of the membership product. |
| External Consultation | Corporate Budget Survey | When asked if the service should review prices and membership offering so that we cover the cost of providing services, most respondents were supportive of this. | It means that public, on the whole, agree that income generation is an important part of budget building, and the the service should be reviewing fees and charges in order to off set operating costs. Only 14% disagreed with this sentiment, with only 4% strongly disagreeing. |

4.4. Engagement with affected groups

Engagement with internal stakeholders and service officers. LLA membership holders will be most affected. In addition, the council asked public in the budget engagement survey if they thought increasing prices for paid activities should be considered, which was widely accepted as a good idea

4.5. Ensuring engagement with protected groups

The pricing framework allows for 60% price reduction for low income families, 40% age related discount, and the essentials membership which allows one free activity per month. None of these discounts will be affected.

4.6. Evidence of engagement

Headline price points are budget range, and well under mid-market gym pricing. New income will be generated as the physical product is being invested in - such as at Peterhead, Stonehaven, Deveron, Fraserburgh and Aboyne. It is the service intention to continue to seek investment in the physical product to ensure customers feel value for money in their gym membership.

4.7. Overall Outcome

All Negative Impacts Can Be Mitigated.

A negative impact could be that members chose not to continue as paid members. This will mean that new members will have to be generated to off set any displacement. Memberships are currently in a growth curve, and the price increase equates to less than one visit to the gym.

4.8. Improving Relations

Good member communications will be essential to ensure that value for money is felt by existing members.

4.9. Opportunities of Equality

Income is re-invested in council services and ultimately reduces the budget subsidy to operate the service. This creates opportunity through the potential to re-distribute funds to develop programming elsewhere

5. Action Plan

| Planned Action | Details |
|---|---|
| <p>Ensure that price increases are applied to all products following confirmation of acceptance at the full council meeting on Feb 20th. This means having all customer communications ready to "go live" from Friday 21st to allow one full months notice per membership terms and conditions.</p> | <p>Lead Officer Allan Rae</p> <p>Repeating Activity No</p> <p>Planned Start Monday January 06, 2025</p> <p>Planned Finish Monday March 24, 2025</p> <p>Expected Outcome if approved at full council then the price points will deliver a significant income benefit to the service, which will be budgeted for and reflected in 2025/26 accounts.</p> <p>Resource Implications Officer time</p> |