

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	SIR GEORGE STAUNTON COUNTRY PARK
Date:	6 February 2014
Title:	Pricing Report
Reference:	5606
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1. Summary

- 1.1 The purpose of this paper is to inform members of the proposed admission charges for 2014/15 financial year as well as changes to the Park's Membership Scheme.

Pricing Recommendation

It is recommended by the Business Manager that general entrance and car parking charges remain the same for the period April 1st 2014 until 31st March 2015. This is as a result of recent regular increase to both of these areas as well as the need for a more structured pricing policy to be in place for the future. Increasing prices slightly has implications on resources including staff time, replacing new and expensive signage and promotional material plus creating a negative perception for visitors.

Appendix 1 shows the current prices which are recommended to remain the same for 2014/15 financial year.

2. Current Membership Scheme

- 2.1 Table 3 shows the current Membership Package and Pricing Structure, alongside the proposed changes.

2.2 Membership breakdown

There are currently 3,665 memberships, of these 2,771 are paid by direct debit.

Joint Annual Memberships are recorded as two members and historically figures are based on this, therefore using this approach we have 5,005 members.

Table 1 shows the breakdown by Membership type.

Membership Type	2013/14 Membership Numbers (Members)
Individual Annual Membership	1,430
Annual Membership	875
Joint Annual Membership	1,350 (2,700)
	3665 (5,005)

Table 1: Membership 2013/14

There are approximately 6,000 members when including Culture All passes and Angling memberships, again where applicable these joint member schemes are counted as two members.

Membership information is currently stored on an Access Database which does not enable detailed analysis and there is also a lack of skills on this software within the team, adding further restrictions. The database was recently organised so that lapsed members, predating 2011, were removed. The total number of members, including those who have not renewed, is over 7,000.

The Visitor Services Manager and his team are currently working with the IT Team and our external contractor Wedderberns, to assess the feasibility and financial implications of updating our EPOS system, to include all aspects of membership data. This would enable a much more effective approach to inputting and provide up to date and accurate data analysis.

2.3 Overall Review

Table 2 shows Day and Member Visitor Numbers since 2011/2012. This indicates that Members generally match, or are even slightly less, than day visits during the peak months; April to August. However it shows a significant increase in preference to visiting during the remaining months when compared to adult day visits.

The increase in free children, alongside children under 3, significantly exceeds the increase of paid children. Although paid children has continued to increase, in-line with paid adults, the number of free children via membership indicates that this is well used and an attractive aspect of the offer.

2.4 Appendix 3 shows examples of comparable Membership offers.

Table2: Comparison between Day & Member Visits

YEAR	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL
11/12 Day	5387	2841	2254	2703	4843	2051	2516	1095	867	1146	2154	3108	30965
Members	3488	2764	2238	2293	2919	2188	2081	1570	1091	1540	2087	2552	26811
Free Child	1733	1216	1180	1343	2304	1100	1263	710	495	854	1434	1189	14821
12/13 Day	3307	2465	2494	2973	5485	2493	1546	1183	785	806	1778	2067	27382
Members	2556	2697	2646	2972	4319	3192	2786	2059	1408	1998	3004	2208	31845
Free Child	1958	1329	1504	1916	3516	1480	1791	1310	699	1280	2562	1402	20747
13/14 Day	3562	3255	2406	3242	6200	2101	1761	1076	923				24526
Members	4370	3631	3065	3226	5345	3213	3323	2454	1623				30254
Free Child	3291	2942	2042	2714	5314	2106	2511	1455	978				23353

3. Proposed Changes to the Membership Scheme

3.1 Table 4 shows the proposed changes to each Membership Package and pricing scheme, to be put into effect from 1st April 2014.

3.2 The Direct Debit price is replaced by the current Non Direct Debit and the new Non Direct Debit fee is with the difference added on.

This can be shown as 15.4 %/(DD) or 13.3% (NDD) increase for Individual Annual, 11.3% or 10.1% for Annual & 10.5% or 9.5% for Joint Annual

Those sections highlight in red are the amended or new aspects. The number of free passes that are fully used is surprisingly low and therefore it is felt that a constant discount those accompanying members would be more popular.

It is fact that the current offer for free children far exceeds that given by other attractions and therefore this has been decreased by one. This still provides a generous deal to more than average sized families, with the additional benefit of 10% off entry for any number of additional children.

The Angling Membership is proposed increase to be implemented at the discretion of the Business Manager following a stock check of the Lakes fish and after further investigations into the water levels.

Table 3: Current Membership Scheme

	Direct Debit	Non-Direct Debit
Individual Annual Membership 1 adult + unlimited parking	£19.50	£22.50
Annual Membership 1 adult and up to 5 free children + 3 free complimentary individual tickets and unlimited parking	£35.50	£39.50
Joint Annual Membership 2 adults and up to 5 free children + 6 free complimentary individual tickets and unlimited parking	£47.50	£52.50
Individual Angling Annual Membership Up to 3 rods per pitch and unlimited parking (Membership 1 April to 31 March)	£49.50 Adult £42 Conc £33 Junior	£51.50 £44 £35

Table 4: Proposed Changes

	Direct Debit	Non-Direct Debit
Individual Annual Membership 1 adult + unlimited parking 10% discount in shop & tearooms Early bird bookings and exclusive Members events Unlimited parking 50% discount on child entry to Manor Farm (valid on a one child discount per paying adult)	£22.50	£25.50
Annual Membership 1 adult and up to 4 free children every visit. 1 Complimentary Individual Ticket & 10% off admission for Members guests 10% discount in shop & tearooms Early bird bookings and exclusive Members events Unlimited parking 50% discount on child entry to Manor Farm (valid on a one child discount per paying adult)	£39.50	£43.50
Joint Annual Membership 2 adults and up to 4 free children every visit. 2 Complimentary Individual Tickets & 10% off admission for Members guests 10% discount in shop & tearooms Early bird bookings and exclusive Members events Unlimited parking 50% discount on child entry to Manor Farm (valid on a one child discount per paying adult)	£52.50	£57.50
Individual Angling Annual Membership Up to 3 rods per pitch and unlimited parking (Membership 1 April to 31 March) 10% discount in shop & tearooms Early bird bookings and exclusive Members events	£51.50 £44 £35	
<u>Culture-all Passport</u>	£70	£75

4.0 Implications

- 4.1 Marketing – There are fewer than 500 current membership fliers the addition of good discounts, reduced entry at another attraction and the early bird offers, which would enable member's to book up to 4 weeks in advance and receive a money-off offer, should allow this to be a positive change.

New fliers and poster will need to be available for April 2014 but the design costs for this will be minimal as it requires change in text only. The website can be updated immediately with the new offer going alongside the existing to encourage more members for the remainder of this financial year.

- 4.2 Administration – the current method for administering the scheme is quite laborious, with approximately 20 hours per week of staff time being dedicated to inputting data, responding to enquiries and processing renewals and direct debits.

4.3 Existing Direct Debit users

In order to maintain this existing group of members it is proposed that they are offered to continue to pay at the existing price. This will significantly reduce the administration required to update the direct debits but also provides an incentive to continue without any gaps. Anecdotal evidence suggests that members will lapse their membership only to renew on their next subsequent visit. In the proposed system, anybody choosing this option will then be required to pay the new increased Direct Debit price.

As the new membership will commence from April 2014 any members who continue their Direct Debit for the next year will receive the new package for the current price. There will be an overlap period whereby some members will continue to use their complimentary tickets and will also benefit from the new membership incentives, e.g. discounts and early bird offers.

4.4. Financial Implications

Table 5 shows the total target income as a result of the changes. This includes maintaining the existing Direct Debits members, at the current price, the existing number of Non Direct Debit members at the new price and an evenly split 30% increase of both new priced Direct Debit and new priced Non Direct Debit members.

As a result of reducing the number of free children from five to four there should be an increase in income from this group. This has been calculated based on the current years number of free child entries minus a fifth, with a 10% discount multiplied by child admission rate.

At this stage there are no figures available indicating an average secondary spend per Member. By introducing a 10% discount, not only should there be an increase in sells at the retail and catering outlets, but it can be used to measure Members only spend per head.

Type membership	M'ship Type	No. M'ships	Price (£)	Total (£)
Existing Direct Debit				
	IAM	953	19.50	18583.50
	AM	583	35.50	20696.50
	JAM	900	47.50	42750.00
Existing Non-Direct Debit				
	IAM	477	25.50	12163.50
	AM	292	43.50	12702.00
	JAM	450	57.50	25875.00
			Total	50,740.50
	Includes increase based on average % rise (11.7%)			5,314.81
Target (15 % increase both DD & NDD)			Average of DD & NDD	
	IAM	477	24.00	11448.00
	AM	292	41.50	12118.00
	JAM	450	55.00	24750.00
			Total new business	48,316.00
		4874	TOTAL Membership Income	181,086.50
Child Entrance As result of 4 free children rather than 5, minus 10% discount				14,712.00
10% Members discount on retail & catering				

Table 5: Target Income

5.0 Additional matters for consideration

5.1 Package Names

The current Membership package names are confusing and arguably not appealing. Alternative options could be Bronze, Silver & Gold scheme or Individual, Family (1adult) & Family (2 adults).

5.2 Term Time Package

Generally 50% of visits during school-holidays are made by Members. This has an impact on operational aspects of the Park and, in turn, day visitors. Queues are longer, parking spaces are limited, animal feed sells out quickly and the overall perception is that the Park is not coping. By introducing a term time Membership this would dissuade some of our existing members from visiting during our busiest time, thus improving the

experience for our day visitors. An alternative restriction could be no entry before 2pm during school holidays. This Membership could be at the lowest price or on a 9months for the price of 12 months arrangement.

5.3 Gift Promotion

A more targeted approach is required to sell the appropriate packages at key times, for example Angling passes for Father’s Day, Joint Annual Membership as ideal gift for parents & grandparents at Christmas. These are worthy of separate promotional material and offers can be used as an additional incentive.

5.4 Family passes

Figures suggest that during peak months there is a steady annual increase in family day passes, but this does not rise consistently for other months suggesting that at this time visitors may opt to become members rather than buy a family ticket. This may be linked to a more proactive approach in promoting membership from the staff during quieter periods.

Recommendation(s)

That the Committee approves the Membership Package changes and Price Structure and content of the report.

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	yes/no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes/no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes/no
Corporate Improvement plan link number (if appropriate):	

NB: If the ‘Other significant links’ section below is not applicable, please delete it.

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1.

2. Impact on Crime and Disorder:

2.1.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?