

CULTURE, RECREATION & TOURISM CABINET MEMBER MEETING

Agenda Item 34
Brighton & Hove City Council

Subject: Museums Fees & Charges
Date of Meeting: 15 September 2009
Report of: Director of Culture & Enterprise, Scott Marshall
Contact Officer: Name: Janita Bagshawe Tel: 292840
E-mail: Janita.bagshawe@brighton-hove.gov.uk
Key Decision: No
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 To set out the proposed changes to fees and charges for admission charges, guiding and commercial hire to assist with business planning.
- 1.2 To update on the recommended donations policy at non-charging venues within the Royal Pavilion & Museums.

2. RECOMMENDATIONS:

- 2.1 To approve the increases for admission charges for the period 2010-2013.
- 2.2 To approve the guided tour charges.
- 2.3 To approve proposed fees for commercial hire of Royal Pavilion & Museum venues 2010/11.
- 2.4 To note progress on the implementation of the recommended donation policy introduced in April 2009.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 Admission charges: background to three year price setting

- 3.1.1 The admission charges for 2008-2011 were set by Culture, Recreation & Tourism Committee in September 2007, to support the need of the Royal Pavilion & Museums to meet the planning needs of the travel trade which work on a six to eighteen month planning cycle.

3.1.2 A revision of the charges for the period to take into account the VAT changes were agreed by the Culture Cabinet Member in December 2008. This included the admission charges for 2010-2011.

3.1.3 In order to facilitate the travel trade organisers planning needs, we are seeking agreement to admission prices for 2011-2013, as we will need to make these available from 2010.

3.1.4 Travel trade organisers are an important customer base, accounting for 39% of visitors to the Royal Pavilion. Many of these agents are making bookings and agreeing packages with their clients up to 18 months in advance and any unexpected price increases are usually borne within the agent's profit margins. Clear communication and advanced notification of annual price changes is, therefore, imperative for good customer service and repeat business with these agents.

3.2 Proposed admission charges 2010-2013

3.2.1 The charging practices and visitor trends of comparable visitor attractions are kept under review on a continuous basis. These charges show that the Royal Pavilion is excellent value for money (currently £8.80 for adults and £5.10 for children). Listed below are charges at other comparable heritage attractions.

Prices 2009/2010						
	CHILD		ADULT		CONC	
	15% VAT	17.5% VAT	15% VAT	17.5% VAT	15% VAT	17.5% VAT
Royal Pavilion	£5.10	£5.20	£8.80	£9.00	£6.90	£7.00
Arundel Castle	£7.00		£15.00		£11.50	
Buckingham Palace	£9.50		£16.50		£15.00	
Harewood House	£7.25		£14.30		£13.25	
Leeds Castle	£9.50		£16.50		£13.50	
Petworth House & Park	£5.20		£10.40		£10.40	
Sea Life Centre	£10.00		£14.50		£12.50	
Waddesdon Manor & Gardens	£11.00		£15.00		£15.00	
Warwick Castle	£10.00		£19.95		£11.95	

3.2.2 Recent visitor research shows that the Pavilion is perceived as providing excellent value for money:

Feedback from in house surveys showed 87.8% of visitors rate the Royal Pavilion as good to excellent value for money. (Royal Pavilion visitor Survey Spring 2009 3,976 surveys).

3.2.3 It is proposed that an above 2% standard inflationary increase to the admission

charges for the Royal Pavilion for 2011-2013 is made/introduced to meet future income targets (see Appendix A).

3.3 Guided tours

- 3.3.1 Following an assessment of current practice and discussions with other travel trade competitors and possible partners we recommend an amendment to our guided tour pricing structure.
- 3.3.2 The current 2009-2010 charges are based on a group basis:
- | | |
|-----------------|--------|
| Up to 30 people | = £60 |
| 30-60 people | = £100 |
| 61-80 people | = £140 |
- 3.3.3 We propose to adopt the industry norm of charging per person for guided tours, with a minimum charge equivalent to the charge of 15 persons. We propose a charge of £3 per person from 2010-11, rising by £1 per person in 2011-2013.
- 3.3.4 The take up of guided tours is from high end groups, such as Orient Express and the National Association of Decorative & Fine Art Societies.
- 3.3.5 Audio guides are available to all visitors and in a range of languages. Generally language school groups use this service.
- 3.3.6 The charging practices for guided tours of comparable visitor attractions are kept under review on a continuous basis. Listed below are charges at some other comparable heritage attractions as well as other tours in Brighton & Hove.

Heritage Attraction Tour prices 2009/10

Venue	Price of tour per person (additional to admission fee)
Arundel Castle	£15 to £18
Harewood House	£4 to £6
Waddesdon Manor & Gardens	£5
Warwick Castle	£5

Local Tour prices

Tour	Price of tour per person
Victorian Sewer Tour	£10
Cemetery Tour	£7.50
After Dark Ghost Walk	£8
Embassy Court	£6
Lewes Horror Walk	£6
Brighton Station Tour	£6

3.4 Commercial hire

3.4.1 Given the difficult economic climate it is proposed to hold 2009/10 prices for 2010/2011 (see Appendix B). The sales strategy for corporate hire includes negotiation on published prices with clients as part of the drive to increase bookings. A number of promotions are also planned, eg off season and off peak promotions or special rates for 'early bird' or multiple bookings.

3.4.2 The exception will be peak season civil wedding & ceremony prices. These have been held for the last year due to the scaffolding outside the Red Drawing Room where ceremonies take place. We have reviewed pricing of competitors and propose an increase of 3.5%. The Royal Pavilion remains the second most popular venue for civil weddings and ceremonies within the City after Brighton Town Hall.

3.5 Recommended Donations

3.5.1 The Royal Pavilion & Museums introduced a recommended donation policy at three of its free attractions, Brighton Museum & Art Gallery, Hove Museum & Art Gallery and the Booth Museum of Natural History in April 2009, following the recommendation of the city council to increase income from voluntary donations.

3.5.2 The suggested recommended donation level policy of £2 at Brighton Museum, £1 at Hove Museum and £1 at Booth has resulted in a favourable increase in donations in the 1st quarter of this year with a rise from £770 in 2008-09 to £5,820.

4. **CONSULTATION:**

4.1 *Admission charges:* Research has been undertaken to position the pricing structure with similar visitors attractions, eg Sealife Centre, Leeds Castle, Historic Royal Palaces, Petworth House, Arundel Castle, Roman Baths, Royal Collections, Waddesdon Manor & Gardens, Warwick Castle.

4.2 *Guiding charges:* Consultation with Travel Trade existing clients, providers and consultants – Sealife Centre (Merlin Group), Theatre Royal (Ambassadors Theatre Group), Tourism South East, Visit Brighton, I-xperience.

4.3 *Corporate Hire:* Jubilee Library, Hove Centre, Brighton Centre, Lighthouse, Sallis Benny, Historic Royal Palaces, Stanmer House, The Grand Hotel, The Hilton Metropole Hotel.

5. **FINANCIAL & OTHER IMPLICATIONS:**

Financial Implications:

5.1 Royal Pavilion admission charges are presented again on a three-year basis, which assists the business planning for travel industry customers. These charges for 2010/11 (5.35% higher overall for admissions) have already been agreed by the Culture Cabinet Member in December 2008.

In line with corporate recommendations, charges have been compared with comparable attractions. The charges in the report for the Royal Pavilion compare favourably with competitors, as shown in sections 3.2.1 and 3.3.6 of the report.

Costs of providing the services have also been analysed to ensure that these are covered by the charges made to customers.

The 2009/10 income targets for admissions, functions and guided tours total £2.033m, with a shortfall expected of some £250k. With the increases in charges proposed for admissions averaging 5.25% over the next three years, and the budgetary targets expected to be subject to 2% annual inflation, it is possible that the shortfall could be reduced by approximately £50k each year. This, however, is on the assumption that the numbers and profile of visitors remains at current levels.

Finance Officer Consulted: Peter Francis, Accountant *Date:* 20/08/09

Legal Implications:

- 5.2 The approach adopted in respect of fees and charges is a reasonable one and there are no adverse legal implications arising from this report.

Lawyer Consulted: Bob Bruce

Date: 02/09/09

Equalities Implications:

- 5.3 Concessionary admission charges are available to Senior Citizens, students, unemployed people, and people with a disability. A charity group rate is offered. There is an annual free day. Resident adults are offered half price admission. Resident children and Brighton and Hove schools don't pay admissions.

Sustainability Implications:

- 5.4 Many services have to generate income in order to contribute towards the costs of the provision. If Royal Pavilion & Museums are not run and marketed in the same way as comparable visitor attractions, and consequently generate reasonable amounts income, the service to the public is placed at risk.

Crime & Disorder Implications:

- 5.5 None

Risk & Opportunity Management Implications:

- 5.6 Many services have to generate income in order to contribute towards the cost of the provision. If Museums are not run and marketed effectively, and consequently generate reasonable levels of income, the service to the public is placed at risk. Failure to increase charges will have an impact on the Service's ability to meet income targets.

Corporate / Citywide Implications:

- 5.7 The Royal Pavilion & Museums play a vital role in the cultural, learning and economic life of the city, and its visitor offer.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Action is required to meet income targets.

7. REASONS FOR REPORT RECOMMENDATIONS:

- 7.1 **Admission charges.** To continue to remain competitively priced within the visitor attraction industry. Advance price setting is important for good customer relations and means that we can maximise coverage in the industry press, and provide correct information at trade fairs to help secure bookings.
- 7.2 **Guided tour prices.** To continue to remain competitively priced within the visitor attraction industry. Advance price setting important for good customer relations and means that we can maximise coverage in the industry press, and provide correct information at trade fairs to help secure bookings.
- 7.3 **Corporate Hire Prices.** To hold prices for 2010/2011 in light of current economic climate.
- 7.4 **Recommended Donation.** To update on progress against targets.

SUPPORTING DOCUMENTATION

Appendices:

- 1. Appendix A: Proposed Admission and Guided Tour Charges 2010-2013
- 2. Appendix B: Proposed Corporate Hire Rates 2010/11

Documents in Members' Rooms

- 1. None

Background Documents

- 1. Culture, Recreation & Tourism Committee, Admission Charges for the Royal Pavilion & Preston Manor, 12 September 2007
- 2. Cabinet member Report Royal Pavilion & Museums Fees & Charges, 9 December 2008