

**OVERVIEW AND SCRUTINY SELECT COMMITTEE No.1**

**LINC Discount Card Review**

**FINAL REPORT**

**Select Committee Chairman  
Councillor Keith Cunliffe**

**Overview and Scrutiny Select Committee No. 1  
LINC Discount Card Review**

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## **Overview and Scrutiny Select Committee No. 1 LINC Discount Card Review**

### **Executive Summary**

LINC is the Council's leisure discount card membership scheme, which was established in April 1993, with good intent. LINC aimed to address social exclusion, increase usage and income at all the Council's leisure facilities. Although LINC membership has grown ten-fold over the last seven years, this highly significant growth in membership has not resulted in an equivalent growth in usage. The intent failed early.

The current annual estimated cost of providing LINC is in the region of £200,000 and it is delivering highly questionable value.

There is consensus around providing discounted access to socially excluded groups, but there exists a lack of clarity about the effectiveness of delivery. This Select Committee has drawn a number of conclusions from the review's findings, which have been identified separately within the final report. The Select Committee's recommendations have been based on these conclusions. The main findings and recommendations are summarised below.

### **Main Findings**

1. Young people are recruited to the Minus 11 and 11-21 schemes en bloc at school. While this method is highly effective and was not considered challenging by the Select Committee. In contrast there is no systematic recruitment programme for Adults.
2. The LINC 11-21 newsletter's net cost is £31,232 per annum, however assertions about its efficacy are based on anecdotal evidence.
3. There is little evidence to suggest that LINC is fulfilling an effective role in meeting its social exclusion aim.
4. Advantage Standard membership numbers have not risen above 50 throughout its lifetime, and this category has never met the original aim to increase usage or income. Current membership is 18.
5. LINC discounts to members was £102,713, which equates to 4.2% of total income generated and the total cost of the LINC scheme to the Council, including staffing costs, has been estimated to be £194,000. From a sample exercise the income generated between facilities from LINC customers varied between 2.9% to 9.9% of all activity income.
6. LINC usage during a pilot one-week exercise was 27% of total usage and this consisted of 835 individual visitors, representing only 2% of the total LINC membership.
7. During the pilot exercise the majority (59%) of usage was associated with swimming (wet activity), and 86% of visitors were adult members. In comparison, usage by young people was less than 15%, which suggested to the Select Committee that young people do not place value on the discounts available. The usage of LINC cards is clearly not representative of the membership numbers by category.
8. Over a six year period, wet activity usage has declined by 26%, in contrast to LINC wet activity usage, which has remained relatively stable throughout the whole period at an average 14%. However, during the same period total LINC membership has risen by approximately 1,100%. Both LINC and non-LINC wet activity usage are now showing similar trends of decline.

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9. The private sector discounter's consultation exercise produced a 26% response rate, which is considered good and representative of this sector. However, the responses suggested to the Select Committee that LINC members are not taking advantage of the discounts offered and the private sector expressed dissatisfaction with the scheme.
10. The L&CSD do not appear to have identified, evaluated or tested good practice in the area of leisure discount schemes.
11. The administration of the LINC scheme is complex, supported by a low technology card.

### **Main Recommendations**

1. The L&CSD need to deploy innovative and systematic recruitment methods to access target groups, which are as effective as the recruitment of young people has been. There needs to be evaluation and reporting about the effectiveness of recruitment which links clearly to the stated aims and objectives relating to each target group on a quarterly basis.
2. The L&CSD need to obtain documentary evidence on a regular basis that the LINC newspaper is achieving its objectives and to explore alternative and effective ways engaging with young people.
3. The L&CS Panel need to revisit the aims and objectives associated with the provision of discounted Council leisure facilities. More importantly the Council's social exclusion aim must be given the highest prominence to ensure that the needs of the most vulnerable members of our community are met.
4. Leisure service discounts must be retained, though not necessarily utilising the LINC scheme if a more effective means can be identified.
5. Overall the existing LINC scheme needs to be simplified. Serious consideration should be given to the immediate discontinuation of certain categories of LINC membership.
6. The L&CSD must monitor the full costs of providing the LINC scheme (including costs of discounts and income generated per facility) and report to L&CS Panel annually.
7. Efforts must be made to obtain intelligence regarding actual usage and this must be used for marketing and promoting services and to reward users. In addition, it can inform decisions about the level and extent of discounts.
8. L&CSD to repeat the 'wet' exercise for all dry side activities to obtain a complete understanding of the relationship between LINC membership and LINC usage at all leisure facilities. In addition, the L&CSD need to investigate why young people do not appear to value the discounts offered.
9. Discontinue the private sector discount scheme.
10. It is essential that all elements of other leisure discount schemes are identified, evaluated and tested for their relevance at Wigan.
11. L&CSD must avoid sorting out a complex system by introducing new technology when the solution is to simplify the existing system.

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**1.0. Overview**

- 1.1. "Leisure in the Community" or LINC is Wigan Council's leisure discount card membership scheme, which is managed by the Commercial Services section within the Leisure & Cultural Services Department (L&CSD). LINC was originally launched in April 1993 to address social inclusion and increase usage of the Council's leisure facilities. It replaced the ineffective and dated "Passport to Leisure" card scheme, which had been in existence since 1981.
- 1.2. The LINC membership structure comprises of five separate parts. These are LINC Standard (adults aged 21-59), LINC Advantage (adults aged 21-59 on low income or in receipt of benefits) and LINC Advantage Gold (adults aged 60+). In addition, there is the LINC (11-21), which focuses on young people between the age range of 11 to 21 years old and the LINC Minus 11, which focuses on young children under 11 year old.
- 1.3. LINC is also financed from three separate funding streams. These are Leisure and Cultural Services Department Revenue Budget, Education Department (Youth Service) and via a successful Single Regeneration Budget (SRB4) bid, which terminates at the end of March 2003. In addition, LINC has secured some private sector sponsorship, which consists of Wigan Athletic (£4,000 for 2001/02) and Wigan Honda (provision of vehicle).
- 1.4. The LINC management and organisational structure (organogram) is shown in **Figure 1**, held within the Appendices.
- 1.5. This review of LINC was proposed for consideration by the Director of Leisure & Cultural Services and was approved, within the second round of reviews, by the Overview and Scrutiny Committee on 7<sup>th</sup> January 2002.

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**2.0 Introduction**

**2.1.** At the Select Committee's first meeting on Tuesday 12<sup>th</sup> February 2002, the scope, objectives, key tasks and timetable with action plan were developed and agreed.

**2.2.** The scope of the review was to include:

- All categories of LINC
- Council and non-Council discounters
- Sponsorship
- Technology.

**2.3.** The objectives of the review were to:

- Evaluate the impact of the LINC card scheme in relation to its originally stated aims and objectives
- Review the aims and objectives of the LINC card scheme and report upon their continued relevance
- Evaluate the LINC card scheme with regard to the identifiable costs and benefits
- Initiate, monitor and report upon a pilot assessment to establish the use of the LINC card scheme within all Council facilities
- Compare the LINC card scheme with similar schemes in other local authorities to learn from good practice
- Provide appropriate recommendations to the Director and Cabinet Member of Leisure and Cultural Services for discussion with the Leisure and Cultural Services Panel.

**2.4.** The following initial key tasks were identified:

**2.4.1.** Interview appropriate Leisure and Cultural Service Department staff, who:

- Have input into the delivery of the LINC card scheme
- Operate at the point of service delivery
- Hold financial data relating to the scheme.

**2.4.2.** Consult with other local authorities to determine what leisure discount scheme provisions are in current use and the reasons for their introduction.

**2.4.3.** Initiate, monitor and report on a pilot assessment of LINC card usage, for a trial period, at all Council facilities.

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- 2.4.4.** Interrogation of the databases used to record information on LINC card members.
- 2.4.5.** Members to undertake facility visits to observe and record:
- The operation of the LINC card scheme at a service outlet
  - The processing and maintenance of LINC card applications, processes and records.
- 2.4.6.** To seek the views of LINC card users and other stakeholders about the operation and impact of the various schemes.
- 2.5.** This report has been sub-divided into two parts. The first part will provide a brief summary relating to the background and development of the LINC card scheme over the past 9 years. The second part will report the main findings and recommendations of the review.

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**3.0. Background**

**3.1. LINC Card Scheme Development**

**3.1.1.** A report, 'Proposed Policy: Fees and Charges 1993/94', was submitted to the Council's Recreation and Amenities Committee on 7<sup>th</sup> December 1992. This report, in part, requested members to support the introduction of a Concessionary and Standard (non-concessionary) Leisure Card Scheme.

**3.1.2.** Within Appendix A of the report, the proposed scheme had been designed with two specific aims. They were to:

- *"...Enable and encourage access by specific target groups within the community identified to be in the greatest need..."*
- *"...Increase usage by the general public at off-peak periods".*

**3.1.3.** The original LINC scheme consisted of only two categories of membership, which were Concessionary and Standard.

**3.1.4. Concessionary LINC**

This was to be introduced and promoted as free to the following groups:

- Unemployed persons in receipt of benefit or income support
- Persons in receipt of family credit
- Disabled persons
- Single persons on single persons allowance
- Students in full-time education not in receipt of wages
- YTS/ET trainees
- Senior citizens over 60 years of age
- Persons caring for concessionary cardholders.

**3.1.5.** In addition to free membership, the Concessionary cardholder would be granted a 50% subsidy to the standard rate of charges during off-peak periods, i.e. predominantly 9.00am – 4.00pm (Monday to Friday).

**3.1.6. Standard LINC**

In contrast, this was extended to all residents living within the Borough but on the basis of a membership fee of £12.50 and a 20% reduction to the standard rate of charges during off-peak periods (as per Concessionary LINC). The Standard LINC card was designed as a marketing initiative to increase usage during off-peak periods and to have a positive effect on income generation.

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### **3.1.7. Private Sector Involvement**

In addition, private sector retail partners (discounter's) were encouraged to participate in the scheme on the basis of offering discounts to LINC members. In return discounter's would be associated with the LINC scheme and their services would be publicised and circulated to all LINC members, to their mutual benefit. It was envisaged that the Council would benefit by the scheme being developed into a larger, more attractive marketing package offering discounted retail services. For example, sports goods, theatre admissions and hairdressing to the benefit of its members. Discounter's would benefit by increased take-up of their services.

### **3.1.8. Financial implications**

The financial implications of the scheme were envisaged to operate at low risk and enhance the Department's income performance. The schemes expected expenditure, for marketing and promotion was £11,000 per annum and the standard card membership was expected to generate 500 members, equivalent to £6,250 income. The net operating deficit was to be recovered by increased income generation.

**3.1.9.** The Standard and Concessionary LINC cards were launched on 1<sup>st</sup> April 1993.

**3.1.10.** In 1996, a LINC Review Group was established with the aim to evaluate previous market research findings and to propose future developments. At this time the take up of the Adult Standard LINC Card was reported as being particularly disappointing and the take up of Adult Concessionary LINC Card was below original estimates.

**3.1.11.** As a result of the LINC card review undertaken in 1996, the LINC Review Group placed particular emphasis on clarifying the Scheme's core objectives, with the intention of targeting the limited resources more effectively on the core purpose of the scheme.

**3.1.12.** In a report to the Recreation and Amenity Committee on 10<sup>th</sup> November 1997 (Review of the LINC scheme), there was an acknowledgement that:

*"Other benefits of LINC which, to date, have not been quantified, relate to the real benefits that accrue to members in terms of improving overall levels of health, fitness and social well-being".*

**3.1.13.** In conclusion this report stated:

*"The Council's LINC Scheme has been established as a leading incentive tool to encourage greater participation in sport, active recreation and leisure. It has been targeted primarily at the more vulnerable or marginalised sectors of our community.*

*This review was established to look at the present scheme and to identify possible developments and changes. The outlined proposals are designed to ensure that the scheme is cost-effective, targeted, and provides a positive benefit or additional value to those less fortunate or vulnerable".*

### **3.1.14. LINC 11-21**

As part of the Council's corporate approach to meet the needs of young people, an Access, Information and Marketing (AIM) strategy was developed.

**3.1.15.** One component of the AIM action plan process was the introduction of an additional leisure discount and information card targeted at young people aged 11-21. LINC 11-21 operates by retaining membership records on a separate database from Adult LINC. This scheme promotes improved targeting of its members, and has the capability of directing mail-shots to sub-segments of

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the full database. LINC 11-21 members also receive specific publications, which focus on issues and concerns that are important to young people.

**3.1.16.** Reported membership benefits include:

- Club membership – which includes a quarterly magazine mailed direct to members
- Special promotions and offers
- Discounts on leisure and other products and services.

**3.1.17.** LINC 11-21 membership is maximised by the recruitment of young people in full time state education en bloc through schools, and the work of local area youth fora. Furthermore, young people, over the age of 16 years old, may be recruited through a range of promotion and marketing mediums.

**3.1.18.** LINC 11-21 was launched in August 1996 and is free of charge to young people who are resident in the Borough. Within 12 months, membership of the LINC 11-21 had reached approximately 16,500 young people. This was due in part, to a concentrated recruitment drive targeting Year 7 pupils in conjunction with schools.

### **3.1.19. Sponsorship**

LINC attracted a three-year private sector sponsorship deal between 1993/94 and 1995/96 with Telewest Communications to a value of £12,000 in total. However, when this arrangement expired, there were no further such deals until 2001/2002. LINC then attracted a one-year sponsorship deal from Wigan Athletic Football Club valued at £4,000. This was replaced in the current financial year by sponsorship in the form of vehicle loan from Honda.

### **3.1.20. Re-launch of LINC**

In a report to the Recreation and Amenities Committee on 16<sup>th</sup> November 1998, (Launch of the new LINC scheme) members were informed that an enhanced LINC card scheme was re-launched on 22<sup>nd</sup> October 1998. This scheme would have the specific objective of increasing membership to 40,000 within twelve months.

Furthermore, the scheme aimed to:

- Provide an improved range of discounts to members
- Be supported by a concentrated marketing and publicity campaign
- Introduce a regular quarterly mail-shot to members
- Adopted a policy of pro-active recruitment to significantly increase the number of new adult members.

**3.1.21.** This improved discount incentive to members using leisure and sports facilities consists of:

- *“...adult members receiving a 25% discount off all individual activities at all times, the discount increases to 50% at off peak times...”*
- *“Junior members receiving a minimum 50% discount off adult rates at all times.”*

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**3.1.22.** In addition, members also receive £5 worth of sales vouchers, which can be exchanged as full or part payment towards any item or activity and agreement had been reached with 240 companies to offer discounts and incentives to members of the re-launched scheme.

### **3.1.23. LINC Minus 11**

The Minus 11 LINC card also known as Cal's Club' was introduced during Autumn 1999 and generally aims to attract children within the 5-10 year old age range. This category of LINC membership is funded through revenue and Single Regeneration Budget 'Opportunities 4 Excellence' (SRB4) bid, which extends until 2002/03. The value of the SRB4 funding over 4 years amounts to £47,300. As part of the matched funding proposals the Private sector would also be providing extra benefits in 'kind' by offering discounts and incentives to members.

Specific targets for the recruitment of children have been prioritised as follows:

- High Priority - 7 to 10-year olds who attend one of the 17 specified primary schools
- Medium Priority – Under 7-year olds who attend one of the 17 specified primary schools
- Low Priority – All other under 11-year-olds resident in the Borough.

Since the launch of LINC Minus 11, the membership has risen by approximately 2,000 children per annum. Current membership is 6,716.

### **3.1.23. Corporate LINC membership**

Corporate LINC cards have been sold to employees of private sector organisations since June 1999. Currently, British Aerospace (MBDA) has 27 members and Wigan and Bolton NHS Trust has 8 members. The cost of this to members is £7 per annum for a LINC Advantage card with all its benefits for this higher price.

### **3.1.24. Trend Data**

By February 1995, within two years of LINC being established, the total membership of LINC was 4,535. Since that time the LINC membership has grown to 46,485, an increase of ten fold over 7 years. Membership statistics, broken down over the different categories of LINC, prior to 2000 were unavailable.

### **3.1.25. Current LINC scheme**

There are now six categories of LINC membership available under the re-launched scheme and they are:

- **Advantage Standard** – for anyone aged between 21 and 59 in the Borough that is waged or not on a low income. Membership costs £12.50 per year.
- **Advantage** – for anyone aged between 21 and 59 who are resident within the Borough and in receipt of a means tested benefit. Membership costs £1, and lasts for one year.
- **Advantage Gold** – for those aged 60 and above who are resident in the Borough. Membership costs £1 and lasts 5 years.
- **11-21** – for all 11 to 21 year olds resident or in full time education within the Borough. Membership is free and lasts until the age of 21.
- **Minus 11** – targets all youngsters aged up to 11 years of age and is free of charge to those who either live or go to school in the Borough.
- **Corporate** – for employees of British Aerospace and Wigan and Bolton NHS Trust whether they reside in the Borough or not.

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Current LINC membership consists of 46,485 members (as of 12<sup>th</sup> February 2002). **Figure 2** below shows the breakdown of membership by category. Approximately, **15.15%** of the Borough's residents, based on 1991 Census figures, have a LINC membership.

**Figure 2, Current LINC Membership**

Type of LINC card	Current Membership	Target Group	%
Advantage	2,802	People on benefits and low incomes aged 21-59, FT students, etc.	6
Advantage Standard	18	People in waged employment aged 21-59	0
Advantage Gold	5,931	Ages 60+	12
11-21	30,983	Ages 11-21	67
Minus 11	6,716	Ages up to 11	15
Corporate	35	British Aerospace / NHS Trust	0
<b>Total</b>	<b>46,485</b>		<b>100</b>

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**4.0. Objective 1 – Evaluate the impact of the LINC card scheme in relation to its originally stated aims and objectives.**

**4.1. Key Task 1** – Determine the original stated aims and objectives of the LINC card scheme.

**4.2. Approach** – Undertake a literature search of past Council meeting minutes and appropriate committee reports, which have made reference to the LINC card scheme. The sources of reference for this review, together with the main points are as detailed.

**4.3. Findings** - 'Proposed Policy: Fees and Charges 1993/94', was submitted to the Council's Recreation and Amenities Committee on 7<sup>th</sup> December 1992. This report, in part, requested members to support the introduction of a concessionary and standard (non-concessionary) Leisure Card Scheme. The proposed scheme was designed to operate on two distinct and fundamental fronts.

Firstly, as a social tool to enable and encourage access by specific groups within the community identified to be in the greatest need. As a social tool, the stated aim was to:

*"Introduce a concessionary Leisure Card as a social tool, to enable subsidised access to facilities by targeted social groups within the community..."*

Secondly, as a marketing tool to increase usage by the general public at off-peak periods. As a marketing tool, the stated aim was to:

*"Introduce a Standard Leisure Card as a marketing tool to increase usage and income during off-peak periods".*

In a report to the Recreation and Amenity Committee on 10<sup>th</sup> November 1997 (Review of the LINC scheme), the LINC Review Group proposed the following revised core objectives:

- *To provide a facility that encourages the disadvantaged, vulnerable, young or more senior members of the Borough to participate in activities that help their own health, fitness and social well-being*
- *To minimise or reduce barriers to access amongst target groups, by providing information, incentives and benefits*
- *To achieve these aims, regardless of service provider, through partnership between public and private sector*

As part of the Council's corporate approach to meet the needs of young people, an Access, Information and Marketing (AIM) strategy was developed. A report was submitted to both the Youth Services Sub-Committee on 27<sup>th</sup> June 1996 and Recreation and Amenity Committee on 8<sup>th</sup> July 1996 (Update, AIM Strategy : Action Plan 1996/97), and reported that work on the AIM strategy was:

- *To improve the awareness and profile of services available to young people*
- *To address marketing and access issues.*

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In a report to the Recreation and Amenities Committee on 4<sup>th</sup> October 1999, (LINC scheme: Achievements and future arrangements), members were informed of the introduction of a new LINC Minus 11 scheme, which would be funded separately through a successful SRB 4 bid. The LINC Minus 11 card also known as 'Cal's Club' was introduced during Autumn 1999 and the stated SRB project objectives were to:

- *Launch the new LINC Minus 11 scheme in September 1999*
- *Recruit 15,000 members to the LINC Minus 11 scheme*
- *Develop a series of "Life Experience, Learning Opportunities and Incentives" to bring an added dimension and value to the lives of those who join the initiative.*

In addition, membership would complement the existing range of LINC card schemes and allow a seamless progression to the 11-21 LINC scheme.

Wigan's first Cultural Strategy 'Northern Soul', (adopted by the Council's Strategy Committee on 17<sup>th</sup> April 2001) recognises that one of the significant barriers to prevent people from fulfilling their aspirations is access and moreover cost is inevitably an access issue. Northern Soul states:

*"Consideration also needs to be given so that people in the most deprived communities receive the most encouragement to participate through any Concessionary schemes".*

Wigan Council adopted an Anti Poverty Strategy in 1996, which was reshaped in line with the Government's agenda to become Action on Poverty & Social Inclusion. The aims of the Anti Poverty Strategy include:-

- *"Increase income levels of individuals, families and communities through benefit take-up campaigns, promoting discount or rebate schemes and advice centres"*
- *"Improve the physical and emotional well being of individuals and families and the quality of the environment in which they live through joint planning involving all agencies"*
- *"Ensure that high quality services are accessible and meet the needs of residents experiencing poverty".*

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**4.4. Key Task 2** – Evaluation of the impact of the LINC card scheme in relation to its originally stated aims and objectives.

**4.5. Approach** – Using the objectives as identified at Task 1, evidence was obtained using a variety of methods as detailed:

- Officers from the Leisure & Cultural Services, Education Departments and Finance and Information Technology were invited for interview.
- Consultation exercise with all current private sector discounter's of the scheme. Findings from this exercise have been reported separately at Objective 2.
- A pilot study regarding actual LINC usage at the majority of the Council's facilities where LINC discounts are available. Findings from this exercise have been reported separately at Objective 4.
- Accessed the LINC membership database to map addresses of members, by LINC category, to areas of deprivation within the Borough.
- Consultation exercise with all Elected Members of the Borough to obtain their views.
- Issued a press release to engage with the local community and ascertain the views of current, past and potential LINC members.
- Trend data regarding membership numbers.
- Trend data regarding all usage at the majority of Council facilities over a period of time. Findings have been presented in conjunction with the results of the pilot study at Objective 4.

### **4.6. Findings**

#### **4.6.1. LINC Advantage Standard Membership**

The original and stated aim of the LINC Standard membership card was to:

‘Introduce a Standard Leisure Card as a marketing tool to increase usage and income during off-peak periods’.

With the introduction of the LINC Standard in 1993, there was an expectation that membership numbers would reach 500 and subscriptions would yield an income of £6,250. This income would make a substantial contribution towards the LINC card schemes Marketing, Promotion and Administration costs, which were estimated to be £11,000. (Source: Report to Recreation and Amenities Committee on 7<sup>th</sup> December 1992, ‘Proposed Policy: Fees and Charges 1993/94’: Appendix A). There does not appear to have been any ongoing review of either the income or expenditure following these estimates.

Within two years of its launch the Standard LINC membership had attracted only 31 members. Furthermore, in a report to the Recreation and Amenities Committee dated 7<sup>th</sup> November 1997, (Review of LINC Scheme), Standard LINC membership had now attracted 50 members. Due to the particularly disappointing take-up of adult membership and the anticipated excessive costs to develop this card it was proposed to cease issuing memberships from March 1998.

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The Recreation and Amenities Committee meetings minutes of 24<sup>th</sup> August 1998 (Proposed revisions to the LINC scheme) the following recommendations were agreed:

- *“That approval be given to the proposed revisions to the LINC scheme on the basis recommended within the report now submitted subject to the continuation of the present Standard LINC card scheme for adult residents of the Borough”.*
- *“That the Director of Leisure be requested to report to a future meeting on possible revisions to the existing Standard LINC card scheme and the financial implications to the Council of continuing the existing scheme.”*

A subsequent report to the Recreation and Amenities Committee on 4<sup>th</sup> October 1999, (LINC scheme: Achievements and Future Arrangements), reported that the LINC Advantage Standard, as it is now referred to, had been retained. The report confirmed a membership at that time of 9.

**Figure 3** shows the last 3-years membership for LINC Advantage Standard, which shows an increase of 2 over the period. The average annual membership for this category of membership over the period is 20 members, which equates to £250 of income per annum, derived from membership subscriptions. Throughout the review we have not been able to identify a total membership in excess of 50 members at any one time and the current membership (February 2002) is 18.

There was no response from current, past or potential LINC Advantage Standard card members in response to the press release.

Elected Member consultation feedback identified that the time restrictions associated with this type of membership (those people who are assumed to be employed) were for off peak activities, i.e. when most people are at work. In addition, this is the most expensive LINC card to obtain yet the discounts are less than those available with the other LINC cards.

**Figure 3, LINC Advantage Standard Membership Trend Data**

Type of LINC card	FEBRUARY 2000 Membership	FEBRUARY 2001 Membership	FEBRUARY 2002 Membership	CHANGE +/-
Advantage Standard	16	27	18	+2

This Select Committee concludes that:

**C1** Failure to continuously monitor the income and expenditure related to the LINC Standard scheme has led to an inability to identify problems at an early stage.

**C2** LINC Advantage Standard has failed to meet the originally stated aim to increase usage or income.

**C3** LINC Advantage Standard has been unable to demonstrate a significant impact on the health and social well being of the community.

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**C4** Restrictions on time and level of discounts offered prevent full utilisation of the card.

**Recommendations**

**R1** Serious consideration should be given to the discontinuation of this category of LINC.

**R2** Actively promote the range of fitness passes, for example, Platinum or Mercury, as an alternative to current Advantage Standard LINC members.

**4.6.2. LINC Concessionary Membership (now LINC Advantage and LINC Advantage Gold)**

The original and stated aim of the LINC Concessionary membership card was to:

“...enable subsidised access to facilities by targeted social groups within the community...”

Within the context of the social objective of the LINC Concessionary scheme, the aspirations of the Council's Cultural Strategy (Northern Soul) and the Council's Anti-Poverty Strategy, discussions took place with L&CSD management. Full details of questions and responses are held within the Review's working papers. The main findings are summarised below

- There is no systematic recruitment programme for the adult LINC schemes and this is an area requiring further development.
- To date no analysis or review as been undertaken to support the effectiveness of recruitment methods currently adopted.
- Recruitment could be more effective if links were established with the Social Services and Finance and IT Departments. These initiatives are to be considered this year.
- Currently there is no targeting of the most deprived communities in the Borough.
- The budget available for marketing the Adult LINC schemes is £8,000 so there are limitations on what can be achieved.
- There has been no formal specific consultation with users of the cards. Contact with users will be confined to day to day contact in the course of the promotion and administration of the scheme.
- Performance indicators to determine the success or otherwise of the LINC Advantage and LINC Advantage Gold schemes have not been identified.
- LINC Advantage Gold would appear to have been successful in recent years if success were determined by an increase in membership numbers, (an overall increase of 2,189 over a 3-year period). Reasons given by L&CSD officers for the increase in membership are attributed to a) a degree of targeted recruitment, b) a strong word of mouth culture within the group and c) there is a five year life on this category of membership.
- LINC Advantage would appear to have been less successful if success were determined by an increase in membership numbers, (an overall decrease of 500 over a 3-year period). Reasons given by L&CSD officers for the decrease in membership are attributed to a) members being lost once they reach 60, b) failure to target people on benefits, c) this

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sector being a difficult group to target (due to changes in circumstances).

**Figure 4** shows the last 3-year membership of both LINC Advantage and LINC Advantage Gold.

**Figure 4, LINC Advantage and LINC Advantage Gold Membership Trend Data**

Type of LINC card	FEBRUARY 2000 Membership	FEBRUARY 2001 Membership	FEBRUARY 2002 Membership	CHANGE +/-
Advantage	3,302	4,837	2,802	-500
Advantage Gold	3,742	3,891	5,931	+2189

As part of the review, the L&CSD were requested to provide information directly from their membership database for both of these categories of membership. This information was provided in the form of a spreadsheet, which was forwarded to the Council's Planning and Development Department, to be plotted onto maps of the Borough against the areas of social deprivation as identified by the 1998 index of local deprivation. The first stage in this process involved running a report on the original data to identify postcode irregularities. This exercise identified in excess of 360 postcodes that could not be used. The reasons for this were as a result of the following:

- Input errors, using letters instead of numbers and vice versa
- The postcodes given fall outside the Borough's boundaries, approximately 70 in this category
- The postcodes could be for new property not yet included on the Council's database.

To rectify this situation, the postcodes not accepted were sent to the LINC office in an attempt to identify the correct postcodes. This task was undertaken manually and the results were used to update the original data. In addition, postcodes that are outside the Borough boundaries were also removed at this point. The data has been re-submitted to the Planning department together with a request to plot the membership of each category on individual maps.

The outcomes of this exercise are shown in **Figures 5** and **6** (A4 size), which are held within the Appendices. In addition, these maps have also been produced on size A0, which show greater detail and are available, separately for inspection. However, it needs to be noted that the information is limited by two factors, namely:

- The data is incomplete, as the incorrect records identified above have been excluded from the exercise.
- The maps that will be produced are two dimensional so that although one postcode can represent up to 50 people, only one dot will appear on the map regardless of how many members reside within that postcode area.

Figures 5 and 6 show the LINC Advantage and LINC Advantage Gold Memberships by ward across the borough. The distribution of LINC membership for both these categories is very similar. Although LINC is intended exclusively for residents of the borough the maps identify members who reside outside the boundaries.

**Strategies for Growth**

In January 1995, a report (The Way Ahead – Strategies for Growth), which was produced by the Marketing Section proposed three main strategies for the successful future development and growth of LINC. The aforementioned strategies are summarised below:

**Market Penetration** – Aimed to increase and maximise promotional techniques and build upon the

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strengths of the current scheme and gain a greater response from the existing market.

- Membership research had criticised LINC for insufficient publicity and promotion. For example, the majority of members learn about LINC by word of mouth or by accident.
- Therefore, LINC publicity and promotion would require more effective targeting.
- The Standard card could be promoted a great deal more to members of the community in employment.

**Product Development** – Aimed to examine and improve the existing scheme.

- The most common criticisms of LINC were centred around the limited times that members may use their card at leisure facilities.
- The Standard LINC required re-thinking and re-developing. If the Standard card were to continue and eventually attempt to provide valuable income for the L&CSD, the present very unpopular price discrimination policy needed to be abandoned.

**Market Development** – Aimed to develop new markets for the existing scheme. Recognition was given to seeking opportunities to expand the LINC scheme into two new areas:

- The General Practitioner's Referral Scheme It was estimated that the GP Referral Scheme would provide an additional 10,000 new Concessionary/Standard LINC members per annum.
- The Youth LINC scheme.

This Select Committee concludes that:

**C5** There is little evidence to suggest that the LINC scheme is fulfilling an effective role in assisting the Council in meeting its social inclusion objectives.

**C6** These groups of people must still retain access to discounted leisure services as an identified priority group.

**C7** Targeting of these groups of people needs to be developed.

**C8** With regard to the January 1995 report, there are concerns that not all these recommendations, although valid, has either been implemented or were effective or realistic.

**C9** The completed mapping exercise of membership (Figures 5 and 6) is of limited benefit. However, it is considered to be a valuable starting point in understanding the LINC scheme and the effectiveness or otherwise of the marketing and promotion of LINC.

### **Recommendations**

**R3** The Council's social inclusion objectives must be given higher status, within the delivery of discounted leisure service provision, to the most vulnerable members of our community.

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**R4** Retain leisure service discounts for this group of people, though not necessarily utilising the LINC card scheme if a more effective means can be identified. For example, consider introducing concessionary fees at point of sale, offering reduced cost BLT cards (off peak only), free admission at specific times to stimulate demand.

**R5** Proactively advertise at a range of key sites where these target groups are likely to visit. For example, post offices, Council buildings, social clubs/public halls, doctor's surgeries, supermarkets, hospitals, Council publications (Past Forward), Department of Work and Pensions, Housing Associations offices and monitor the effectiveness of this.

**R6** Deploy systematic recruitment methods to target these groups, and evaluate and report upon their effectiveness.

**R7** Engage these target groups through existing communication channels with the Council to maximise the potential for participation by these groups. For example, housing/council tax benefits, free school meals, orange badge holders.

**R8** Undertake periodic exercises to determine non-users who have LINC membership and target these people to use the facilities.

**R9** Promote the benefits of developing healthier lifestyles through leisure activities to these target groups with other public, private and voluntary partners.

**R10** L&CSD to repeat the mapping exercise on an annual basis, however future exercises must concentrate on mapping actual LINC usage and comparing to actual membership. (Refer to Figures 5 and 6).

**4.6.3. LINC 11-21**

The original aims of this part of the scheme have been identified as:

- Improving the awareness and profile of services available to young people
- Addressing marketing and access issues.

Officers employed by the Leisure and Education departments were invited to attend a Select Committee meeting to discuss aspects of services for young people within the context of LINC. The main points they made were:

- LINC 11-21 is a key strand of the Access, Information and Marketing (A.I.M.) strategy for Services for Young People. It is a partnership tool.
- Youth Workers are actively involved in encouraging young people to join the scheme, and have made use of the mailing lists to target information to appropriate age groups in certain geographical locations.
- The newspaper (The LINC) is a valuable tool for promoting positive images and messages to young people. This is especially important in view of the overwhelmingly negative media exposure that young people usually get.

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- The newspaper is able to take some risks about the material it includes. This allows marginalised groups to have a voice and for quality information to reach large numbers of young people.
- Young people write, design, research and edit the paper. This kind of peer-led initiative is a valuable youth work approach.
- Information about school holiday activities for example, is circulated directly to young people on the mailing list as well as via mailings to schools, children's homes, etc.
- Feedback suggests that young people and their parents read the newspaper.
- The newspaper and mailing list have enabled us to circulate questionnaires, which have then been used as part of combined action planning along with other local research.
- A.I.M. is planned and reviewed annually by representatives from all agencies involved in providing services for young people. Youth Service has contributed and benefited from this process.

As part of the review process, the above points were challenged by the Select Committee and details are given below:

- Officer's assertions about the efficacy of 11-21 LINC were based mainly on anecdotal evidence.
- The Select Committee questioned whether the AIM strategy needed to obtain its database from LINC membership. Consideration should be given to other databases in the future, such as SIMS or Connexions.
- The original aims of the LINC 11-21 suggested that a quarterly newspaper would be published although there is evidence to support only three publications per year.
- The newspaper alone cannot be considered to fulfil the aim to improve awareness and profile of services for all young people.
- Material that is considered to be appropriate for a 21-year-old may be considered inappropriate for younger readers.
- There is no evidence to support the view that the newspaper is read by all recipients. The statement was made based upon questionnaire returns that had formed part of the publication. These were followed up as part of the review process and the findings can be summarised as:
  - a) four consultation exercises have been conducted in three years, one of which was deemed unsuccessful by the department due to a poor response,
  - b) the unsuccessful consultation exercise was re-run, this still only received a response rate which amounted to 0.6% of the LINC 11-21 membership
  - c) from this consultation exercise, 77% of respondents had been members for less than two years and 84.5% were aged 16 and under. Interest after the age of 16 would appear to decline significantly.

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It was decided that it was not appropriate to plot the membership of the LINC 11-21 scheme onto maps of the Borough which identify areas of social deprivation due to the unique marketing strategy for targeting this group of people.

There was no response from current, past or potential LINC 11-21 card members in response to the press release.

Elected Member consultation feedback identified that discounts to young people need to be made as generous and accessible as part of the Council's drive to tackle the problem of anti-social behaviour.

LINC 11-21 has been successful since its' introduction (if success is determined by an increase in membership numbers alone), producing an increase in membership of 3,835 over the past three years). **Figure 7** below, shows the last 3-year membership of LINC 11-21. Furthermore, this growth in membership has been sustained since its' introduction in 1996 and numbers have doubled since 1997.

The increase in membership is perceived by the Select Committee to be attributed to the highly focussed targeting of a captive audience and the ease of becoming a member, i.e. no fee, no photo required, applications taken to schools for recruitment purposes.

**Figure 7, LINC Membership Trend Data**

Type of LINC card	FEBRUARY 2000 Membership	FEBRUARY 2001 Membership	FEBRUARY 2002 Membership	CHANGE +/-
11-21	27,148	29,897	30,983	+3,835

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### **Connexions**

The Connexions service is due to go live in Wigan later in 2002. The service covers young people aged 13 to 19. Due to the links between the youth service and LINC 11-21, it seemed appropriate for the Review Team to make enquiries about the Connexions service. The Chief Executive of Wigan Careers Service was invited to a meeting of the Select Committee to obtain more information about the Connexions scheme and potential implications for the LINC 11-21.

The main points of interest from this exercise are detailed:

- The Connexions service is about providing guidance and support to young people aged between 13 and 19.
- The Connexions card is managed separately by Capita and is available for young people aged between 16 and 19, i.e. a smaller age range than the guidance and support role.
- The card is intended to encourage young people to continue with post age 16 learning.
- The card has a reward structure, which is exchanged for goods and unique experiences. In addition, discounts can be obtained on a show and go basis. Discounters signed up to the scheme already tend to be national companies and ones, which are particularly attractive to young people.

In addition, Wigan has received a letter from CAPITA, making enquiries about the discounts currently offered through the LINC scheme.

This Select Committee concludes that:

**C10** The collection and administration of a database of young people is a corporate issue rather than a specific L&CSD issue.

**C11** The database, though large is incomplete.

**C12** The setting up and management of a comprehensive database was not an original objective of LINC 11-21.

**C13** The net annual cost of Youth News production, distribution and postage is £31,232. However, there is evidence to suggest that the Youth LINC publication is not valued by the majority of its' membership, i.e. poor responses to consultation exercises. Therefore, it is highly questionable if this is meeting its objectives.

**C14** There are concerns that the material in the publication considered suitable for 11 year olds is not suitable for 21 year olds and vice versa.

**C15** The recruitment process adopted for this group of people has proved to be extremely effective.

**C16** They recognise the value of participation by young people in the production of the publication.

**C17** There appears to be an over reliance on communicating with young people via the newspaper.

**C18** There is clearly some potential for overlap with the Connexions service, the extent of which has not been established as part of this review.

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**C19** It is unlikely that the Connexions card administrators would include many of the current discounters involved in the LINC scheme because of their appropriateness to this group of young people and the value that young people would place on such discounts. It is assumed that there is a cost associated with involving discounters due to the use of smart card technology.

**C20** There is in existence within the Education department a comprehensive database covering all 11 to 16 year olds in full time education.

**Recommendations**

**R11** Retain leisure service discounts for this group of people, though not necessarily utilising the LINC card scheme if more effective means can be identified. For example, concessionary fees at point of sale, free admission at specific times, discounts to Connexions card holders.

**R12** Establish the extent and impact of the potential overlap between the emerging Connexions discount card and LINC 11-21.

**R13** Consider aligning the age covered by the LINC 11-21 card with both Connexions discount card (aged 16-19) and the current Child/Adult price banding at the Council's facilities (children up to and including age 15).

**R14** The option of the Education department utilising its' existing database to fulfil the AIM strategy needs to be evaluated and reported upon jointly by both departments.

**R15** Explore, pilot and evaluate alternative mediums of distributing information to young people, which embrace new technology (e-government) and are more sustainable. For example, e-mail Youth LINC publication into educational establishments via the intranet.

**R16** Consider introducing positive reply forms, on an annual basis, within the newsletter to ensure a higher degree of integrity of the 11-21 database and a higher degree of confidence that the target audience is being reached.

**4.6.4. LINC Minus 11**

The Minus 11 LINC card is substantially revenue funded by securing a Single Regeneration Budget 'Opportunities 4 Excellence' (SRB4) bid, which extends until 2002/03. See **Figure 8** details the matched funding profile for the 4-year period.

Stated project objectives as identified from the SRB4 submission are detailed:

- Launch the new LINC Minus 11 scheme in September 1999
- Recruit 15,000 members to the LINC Minus 11 scheme
- Develop a series of "Life Experience, Learning Opportunities and Incentives" to bring an added dimension and value to the lives of those who join the initiative.

In addition, the recruitment of children have been prioritised as follows:

- High Priority - 7 to 10-year olds who attend one of the 17 specified primary schools

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- Medium Priority – Under 7-year olds who attend one of the 17 specified primary schools
- Low Priority – All other under 11-year-olds resident in the Borough.

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From the SRB submission this scheme aims to provide a membership type club where members receive a:

- Range of unique benefits and incentives
- Range of life experience and learning opportunity
- Quarterly newsletter of information and promotions.

In addition, membership would compliment the existing range of LINC card schemes and allow a seamless progression to the 11-21 LINC scheme.

As part of the review process, the submission was evaluated against these stated aims and targets. The findings of this evaluation are detailed:

- The scheme was successfully launched in 1999.
- There is a contradiction within the SRB4 submission relating to recruitment target numbers. There is a stated objective to recruit 15,000 members during the period of the programme, however, within the same submission, the output measures quoted aim to recruit 33,550 members.
- Neither of the recruitment targets have been achieved. **Figure 9** shows the original SRB submission proposed Output Measures. Further enquiries made to the Economic Development Section have confirmed that the “target outputs included in the application form had been overstated”. Revised target outputs were submitted to the Partnership Board in December 2000, which were approved by the board in March 2001. A new target of 5,000 was subsequently agreed.

Since the launch of LINC Minus 11, the membership has risen by approximately 2,000 children per annum. Current membership is 6,716 and compared with the total number of 5-10 year olds attending one of the 112 primary schools in the Borough, which is 23,178 (excludes primary pupils at special schools). **Figure 10**, shows the last 3-year membership of LINC Minus 11. As the high priority identified within the submission was 7 to 11 years olds at the 17 target schools, the membership was compared to the actual number of pupils within this age range at these schools to determine the effectiveness of the recruitment campaigns.

The main findings were as follows:

- There are 1,269 LINC Minus 11 members at these target schools. This represents 19% of the total membership in this category.
- In terms of the number of schools, the 17 target schools represent 15% of the number of primary schools in the Borough.
- In terms of total pupil numbers aged 5 – 10 at all schools, (23,178 excluding primary pupils at special schools), the 17 target schools represent 15% of the total number of pupils in the Borough.
- There are currently 2,394 pupils attending these target schools that fall within the specified age range and 53% are LINC members. However some of the members may be from the younger age group, therefore this is the most optimistic figure. For the purpose of this exercise, it has been assumed that this figure will remain steady due to additions to the scheme being the same as deletions from the scheme when pupils turn 11.

The L&CSD have not yet developed either an exit strategy once SRB4 funding ceases or an

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alternative source of funding. However, both of these are due to be addressed during 2002/03.

**Figure 8, LINC Minus 11 Matched Funding**

	1999/00	2000/01	2001/02	2002/03	TOTAL
<b>SRB (£)</b>	15,000	10,500	10,750	11,100	47,300
<b>Other Public (£)</b>	3,800	3,800	3,800	3,800	15,200
<b>Private (£)</b>	5,000	5,000	5,000	5,000	20,000
<b>TOTAL (£)</b>	<b>23,800</b>	<b>19,300</b>	<b>19,550</b>	<b>19,900</b>	<b>82,550</b>

**Figure 9, LINC Minus 11 Output Measures (No of children recruited to the scheme/annum)**

	1999	2000	2001	2002*	TOTAL
<b>Proposed</b>	2,050	7,500	10,500	13,500	33,550
<b>Actual</b>	59	813	1178	1549	3,599
<b>Difference</b>	-1,991	-6,687	-9,322	-11,951	-29,901

\*January to March only

**Figure 10, LINC Minus 11 Membership Trend Data**

Type of LINC card	FEBRUARY 2000 Membership	FEBRUARY 2001 Membership	FEBRUARY 2002 Membership	CHANGE +/-
Minus 11	1,297	4,481	6,716	+5419

As part of the review, the L&CSD were requested to provide information directly from their membership database for this category of membership. Full details are included within the Section dealing with the Advantage and Advantage Gold cards. This exercise identified in excess of 300 postcodes that could not be used for the reasons previously detailed.

The data has been re-submitted to the Planning and Development department together with a request to plot the membership of this category on an individual map.

The outcome of this exercise is summarised in **Figure 11**, held within the Appendices. However, it needs to be noted that the information is limited by two factors as previously detailed. Clearly membership for this category of LINC is not clustered exclusively around the 17 target schools, but membership does follow a similar pattern to Figures 5 and 6.

This Select Committee concludes that;

**C21** The LINC Minus 11 scheme has under performed in achieving its originally stated recruitment targets and this is disappointing because of the funding opportunity that has existed. The scheme is deemed to be unsuccessful.

**C22** The current funding stream is due to end and there is no replacement funding in place at this time.

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**C23** No unique benefits and incentives have been identified, apart from discounted access to leisure facilities and private sector discounts.

**C24** The actual membership take up, at the 17 target schools, does not suggest a significant impact by targeting the resources although membership has been marginally higher than at other primary schools.

**Recommendations**

**R17** LINC Minus 11 is not continued and alternative ways are identified to encourage potential and existing junior users.

**4.6.5 Corporate Memberships**

Corporate LINC cards have been sold to private sector organisations since June 1999. Currently, British Aerospace (MBDA) has 27 members and Wigan and Bolton NHS Trust has 8 members. The cost of this to members is £7 per annum for a LINC Advantage card with all its benefits for this higher price. It should be noted however that this price is cheaper than the Advantage Standard card (at £12.50), yet the discounts available are higher.

There was no response from current, past or potential corporate LINC Advantage card members in response to the press release.

Elected Member consultation feedback identified that the time restrictions associated with this type of membership (i.e. those who are employed) were for off peak activities, i.e. when most people are at work.

It was decided that it was not appropriate to plot the membership of the LINC corporate memberships onto maps of the Borough which identify areas of social deprivation due to the very low take up from this group of people.

This Select Committee concludes that:

**C25** The corporate memberships have been unable to demonstrate a significant impact on the health and social well being of the community.

**C26** Restrictions on time and level of discounts offered prevent full utilisation of the card.

**C27** This type of membership does not restrict membership to those people who reside within the Borough, unlike the other elements of LINC.

**Recommendations**

**R18** Serious consideration should be given to the discontinuation of this category of LINC.

**R19** On the implementation of R18 (above), promote the range of existing fitness passes, e.g. Platinum, Mercury, as an alternative to current corporate Standard LINC members.

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### **Current LINC Operational Management**

Throughout the Borough potential members of LINC can register at any one of 30 registration points. Generally, these are at libraries, swimming pools, and leisure centres. However, central administration processing is at Wigan Market Hall.

L&CSD management recognise that the current LINC schemes' operational management is problematic and the areas for improvement are summarised:

- Scheme structure with six categories of membership is quite complex, as is the funding and discounting
- LINC uses information technology which is approximately 10 years old and as a consequence there is an absence of integrated processing from registration through to point of sale and financial/usage monitoring
- Highly labour intensive and requires manual data entry to maintain each of the 3 separate database membership records
- The location of the LINC office has no disabled access and is not ideal for a scheme which targets the elderly and the disabled
- The databases, with the exception of the 11-21, are considered to be under utilised
- Each category of membership has there own individual application form and card

The actual LINC card itself is merely a token to gain access to discounts and therefore is limited in usefulness. Furthermore, with no infrastructure required to support the card, it is relatively cheap to produce and potentially expensive to administer. The application of this type of no technology card makes it impossible to effectively monitor usage, frequency, discounting, etc.

The Select Committee has classified the current LINC operational management system as a complex system using low technology. Refer to **Figure 12**, held within the Appendices. The task ahead for L&CSD management will be to simplify the discount schemes and range of cards and to consider an investment in new technology. We recognise that the latter may need to be done as part of a corporate exercise.

### **Current LINC Operational Management**

The Council's Head of Information Technology Services made a presentation to the Select Committee based on the application of new technology to the delivery of a more integrated LINC scheme. The findings are summarised:

- Evaluate Magnetic Swipe Cards and SMART cards – both require an I.T. infrastructure at point of sale, compatible computer systems, otherwise they would only be tokens. However, this could form part of an implementation strategy.
- Both types of card could facilitate:
  - 'Leisure Card' for all facilities, sports centres, libraries, golf etc
  - Linkages to electronic payments direct debits etc

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- No-cash transactions over the counter
- Internet, telephone bookings and payments
- Differential pricing policy
- Easier access to usage information
- Personalise mailings, special offers based upon individual usage
- Loyalty bonuses
- New product launches

SMART card technology is part of the Council's modernisation strategy, which builds on the e-Government agenda.

This Select Committee concludes:

**C28** The opportunity exists for L&CSD to take a leading role in the Council's modernisation agenda.

**C29** L&CSD must avoid sorting out a complex system by introducing new technology when the solution is to initially simplify the existing system.

**C30** Any new operational management system must have effective monitoring in place.

**Recommendations**

**R20** A review group is established within the next 3 months to determine a vision for the future. A comprehensive feasibility study must be undertaken, and include a rigorous cost/benefit analysis to evaluate the introduction of new technology, within the context of providing discounted leisure services.

**R21** The current schemes must be simplified so that identified target groups still benefit from reduced rates. Any new information technology solutions must be introduced on the basis of simplified systems and processes.

**R22** Establish effective, ongoing monitoring procedures on the revised scheme.

**R23** Ensure compliance with the Council's I.T. strategy but also consult with other leisure service providers, who have more recently embarked on the introduction of new technology solutions and learn from their experiences.

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**5.0. Objective 2 – Review the aims and objectives of the LINC card scheme and report upon their continued relevance.**

**5.1. Key Task** – To review the aims and objectives of the LINC card scheme.

**5.2. Approach**

The review was completed using a variety of methods as detailed:

- Officers from the L&CSD were consulted for their views.
- Consultation exercise with all current private sector discounters of the scheme.
- Accessed the LINC membership database to map addresses of members, by LINC category, to areas of deprivation within the Borough. Findings from this exercise have been reported separately at Objective 1, Task 2.
- Trend data regarding membership numbers. Findings from this exercise have been reported separately at Objective 4.
- Trend data regarding all usage at the majority of Council facilities over a period of time. Findings have been presented in conjunction with the results of the pilot study at Objective 4.

**5.3. Findings**

**5.3.1. Reviewing the aims and objectives of the LINC card scheme**

L&CSD management recognises that there has been a clouding of the objectives of the LINC scheme over its lifetime and clarification is required relating to the distribution of discounts for leisure facilities. For example, should LINC:

- Target specific groups within the community for membership?
- Purely provide discounted admissions either to specific groups only or to the whole population?
- Provide loyalty discounts to all frequent users?

While the current LINC scheme has a very high membership, L&CSD management are unsure if:

- People are using their facilities more as a result?
- The social objectives associated with LINC are being met?

In addition, as a result of the first LINC Staff Forum meeting, which comprises of officers who administer LINC, the following views have been confirmed:

- LINC requires streamlining by having fewer categories and should 'go back to basics'.

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- Discounts should be targeted to those in most financial need.
- There should be a simple discount for all elderly members of our community.
- All children should receive discounted admissions.

Select committee members, having considered all the information, presented as part of the evidence gathering phase of the review, and have reached agreement on the future aims of providing leisure discounts.

This Select Committee concludes that:

**C31** The future focus of providing discounted leisure facilities should be to enable and encourage access by specific groups within the community identified to be in the greatest need in accordance with the Council's Anti-Poverty strategy and social inclusion objectives.

**C32** Discounted leisure facilities should be used as a marketing tool to increase usage, to generate increased income and reward customer loyalty.

### Summary of Discounter Consultation

A total of 241 questionnaires were issued to all discounters who are currently included in the LINC directories with the exception of 7 who had already indicated that they would not wish to continue with the scheme. The findings are detailed below:

- A total of 63 discounters responded to the questionnaire, representing a 26% response rate.
- When questioned about the number of LINC customers visiting their premises **Figure 13** below summarises the range of responses.
- When asked about the perceived benefits of the scheme **Figure 14** below summarises the range of responses.
- Of those that cited increased custom as a perceived benefit, only two discounters claimed to have more than one customer per week. One customer claimed to have no LINC customers.
- Of those that cited customer loyalty as a perceived benefit, only two discounters claimed to have more than one customer per week.
- 55% of respondents considered that free advertising in the directories was a benefit of the scheme.
- Over a quarter of discounters cited one of the benefits of the scheme as being associated with the Council.
- A matter of some concern is that 13 of those responding (22%) did not indicate that any of the above is perceived as benefits of the scheme and did not identify additional benefits.

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- Discounters were asked for ways in which the scheme could be improved. Twenty four discounters (40%) made suggestions which can be summarised as:
  - Discounters require more clarity about how the scheme works
  - More advertising of the scheme and its benefits is required
  - Localised promotion rather than high profile expensive advertising would be beneficial
  - Include a list of all discounters on town centre information boards
  - Clarity required about the location of discounters
  - Need photographs on LINC cards to prevent them being passed between customers
  - Publicity, posters and leaflets to be displayed on discounter premises
  - Would be better if a national scheme
  - Signs needed to direct customers to LINC discounters
- In addition, to the above, two respondents suggested that the scheme is “scrapped” and two respondents said that only existing customers use their LINC card, i.e. no effect on their sales.
- In summary, the response to the consultation was good yet the usage of the cards at these outlets is poor and some of the feedback was negative.

This Select Committee concludes:

**C33** The original aims of the LINC discount scheme still apply today, but the LINC scheme is not achieving these.

**C34** Clearly, the discounting element of LINC is not well used by LINC cardholders.

**Recommendations**

**R24** The L&CS Panel need to revisit the aims and objectives of discounted Council leisure facilities scheme.

**R25** The L&CSD need to identify different ways of achieving the agreed aims.

**R26** Discontinue the private sector discounter’s scheme in a Leisure context although consideration could be given to addressing this corporately.

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**Figure 13, Frequency of attendance**

<b>Frequency</b>	<b>%</b>
No customers	38
1 customer per month	37
1 customer per week	17
10 customers per week	5
25 customers per week	0
25-50 customers per week	3
50+ customers per week	0
<b>Total</b>	<b>100</b>

**Figure 14, Discounter's perceived benefits of LINC**

<b>Benefits*</b>	<b>No.</b>
Increased custom	10
Loyalty of customers	10
Free advertising in the directory	36
Association with the Council	16
Other	23

**\*Discounters were asked to indicate all those that applied.**

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**6.0. Objective 3 – Evaluate the LINC card scheme with regard to the identifiable costs and benefits.**

**6.1. Key Task 1 – Identify the cost of giving discounts to LINC members.**

**6.2. Approach**

An exercise was conducted based on the actual prices and estimated usage figures for 2001/2002 to calculate the cost of discounts given. The exercise looked at swimming pools, leisure centres and the Council's parks and considered the value of discounts given to LINC members. The income that these visits generated was also calculated.

**6.3. Findings**

With reference to **Figure 15** below and considering only the cost of the discounts, (column B) this assumes that all current LINC customers were previously full fee payers. By considering income generated, (column C) this assumes that the customers would not visit the facilities unless discounted prices were offered. The reality is likely to be somewhere in between and cannot be quantified.

To put income generated by LINC customers into some context, the income generated by non-LINC customers has also been included for completeness (column D).

**Figure 15, Cost of LINC discounts**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<b>Facility</b>	<b>Cost of discounts</b>	<b>Income generated by LINC customers</b>	<b>Income generated by other customers</b>	<b>Total income generated (C + D)</b>	<b>Cost of discount as % of total income (B/E x 100)</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>%</b>
Howe Bridge	22,800	39,533	493,158	532,691	4.3
Ashton	12,437	18,813	297,052	315,865	3.9
Hindley LC	4,974	8,789	82,250	91,039	5.5
Wigan	30,575	46,381	398,046	444,427	6.9
Robin Park	12,461	28,195	506,479	534,674	2.3
Hindley	8,212	11,118	141,508	152,626	5.4
Tyldesley	3,714	5,384	82,069	87,453	4.2
Atherton	3,367	4,026	51,415	55,441	6.1
Orrell Water Park	167	409	11,273	11,682	1.4
Three Sisters	30	68	621	689	4.4
Pennington	2,972	6,934	120,583	127,517	2.3
Haigh	1,004	2,783	93,841	96,624	1.0
<b>Totals</b>	<b>102,713</b>	<b>172,433</b>	<b>2,278,295</b>	<b>2,450,728</b>	<b>4.2</b>

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The following points need to be considered:

- Both the cost of discounts and the income generated at Haigh are expected to rise in 2002/2003, due to the opening of the new golf course. L&CSD have estimated the cost to be £6,400 and generated income in excess of £23,000.
- In addition to income through admission fees, particularly at Pennington and Haigh, there is income generated through car parking fees. These have not been estimated as part of this exercise and are therefore not included in **Figure 15**.
- The income generated by other customers (non-LINC) includes all activity, not just those activities that attract a LINC discount. There are activities at the facilities which attract large numbers of customers but either no LINC discount is available or LINC discounts are time restricted.

With regard to comparing LINC income with the income from all activities from non-LINC customers, a separate exercise was completed. This second exercise initially compared LINC income generated with the non-LINC income associated with activities that attract a LINC discount. This was a relatively simple exercise at Orrell Water Park, Three Sisters Recreation, Pennington Flash and Haigh Hall and full details are shown below in **Figure 16**. However at the pools and leisure centres, this was far more complex, so the exercise has been restricted to include just one leisure centre and one pool.

**Figure 16, Sample exercise to identify activities that attract a LINC discount**

<b>Facility</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
	<b>Total income from ALL activities</b>	<b>Total income from activities attracting a LINC discount</b>	<b>LINC generated income</b>	<b>Percentage of LINC income compared to total income on LINC activities</b>	<b>Percentage of LINC income compared to total income on all activities</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>%</b>	<b>%</b>
Pennington Flash	127,517	66,338	6,934	<b>10.5</b>	<b>5.4</b>
Haigh Hall	96,624	48,857	2,783	<b>5.7</b>	<b>2.9</b>
Orrell Water Park	11,682	9,313	409	<b>4.4</b>	<b>3.5</b>
Three Sisters	689	641	68	<b>10.6</b>	<b>9.9</b>
Hindley Leisure Centre	91,040	37,449	8,789	<b>23.5</b>	<b>9.7</b>
Atherton Pool	55,441	14,424	4,026	<b>27.9</b>	<b>7.3</b>

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The main points identified from conducting this exercise are:

- There are activities at the above locations that attract a LINC discount though this is not being taken up the majority of the time.
- For the activities identified as attracting a LINC discount, these have been taken during this exercise in total, i.e. without giving consideration to time restrictions that may apply. This is appropriate to point out, particularly where discounts are available at a time when there is little demand for the activity.
- Income from LINC customers varies between 4.49% to 27.9% of LINC activity income.
- Income from LINC customers varies between 2.9% to 9.9% of all activity income.

A similar exercise was conducted on usage and the results are included within the pilot exercise part of the report.

This Select Committee concludes that:

**C35** The cost of the discounts represents a small percentage of total income generated. (Figure 15)

**C36** LINC generated income is low when compared to total income from activities attracting a LINC discount. (Figure 16)

**C37** It is not possible to quantify the overall financial effect to the Council where either money is lost through the granting of discounts to existing visitors or additional income is generated through attracting new or more frequent visitors.

**C38** There are variations between the LINC generated income as a proportion of total income from activities attracting a LINC discount at the different type of facilities.

**C39** At present, we have no information about if and how projected cost of discounts and income in respect of the new golf course at Haigh will be monitored.

**Recommendations**

**R27** As an ongoing process, the L&CSD must attempt to balance the commercial decisions associated with the level and extent of discounts with the social inclusion objectives. Customer consultation exercises should attempt to identify additional usage by LINC members so that a more realistic figure in respect of cost of discounts and additional income generated could be produced.

**R28** This sample exercise (Figure 16) identified the variability of LINC card usage at a selection of specified facilities. This needs to be extended by the L&CSD to include all facilities and the findings used to inform future decisions about the continued level and extent of discounts. Findings to be reported to L&CS Panel.

## **Overview and Scrutiny Select Committee No. 1 LINC Discount Card Review**

**6.1. Key Task 2** – Identify the cost of staffing and administering the LINC scheme.

### **6.1.2. Approach**

Leisure officers (budget holders) were asked for details of LINC related expenditure for the year 2001/2002. The expenditure identified by the budget holders was then reconciled back through the Council's financial system, FMIS. The reasons for taking this approach were:

- To ensure that the budget holders had identified all relevant expenditure
- To verify records (FMIS is a record of actual transactions)
- To ensure that costs were coded only to the two cost centres identified by Leisure officers as being correct for the LINC scheme.

All staff working directly on the LINC scheme were also identified to establish an accurate staffing cost. Total salary costs were apportioned for different members of staff to reflect the amount of their time spent on the LINC scheme.

### **6.1.3. Findings**

This exercise was not performed as a financial audit but was conducted to inform the review.

- A staff member had been identified as employed on the LINC scheme for part of the financial year 2001/2002 for which no costs were identified. The two departments involved, (L&CSD and Engineers department) had failed to produce a journal entry to correct the situation. The period covered April to the middle of November and amounted to £4,270. This situation had also occurred in the previous year.
- Leisure officers have identified expenditure of £37,000. However, only £14,000 has been reconciled back to the FMIS system as at April 2002.
- Although two separate cost codes exist for income and expenditure under the LINC scheme, expenditure relating to other non-LINC work also appears on these same codes. The expenditure codes are not used solely for LINC so determination of the costs of the scheme is problematic. The cost code for LINC 11-21 also includes expenditure specifically for youth development work, not the LINC scheme.
- Expenditure for the LINC Minus 11 scheme was identified under the cost code for the LINC 11-21 scheme. This was not significant but proves that this can and does occur.
- The cost code for LINC 11-21 also includes expenditure specifically for youth development work, not the LINC scheme.
- Staffing costs (including on-costs) of running the LINC scheme per year are in the region of £55,000.
- Verifiable expenditure in 2001/02 was at least £92,000.
- This excludes managerial support and other departmental overheads, many of which would still be incurred in the absence of the LINC scheme.

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- The estimated cost of operating the LINC scheme (staffing, marketing etc.) as identified in various committee reports were as follows:
  - £11,000 in 1993/94 to be offset by an expected income of £6,250 (not achieved)
  - £24,800 in 1997/98
  - £40,300 in 1998/99 although sponsorship was expected to offset this amount in 1998/99 to £27,800.

This Select Committee concludes that;

**C40** The costs of administering the scheme have risen significantly since its introduction.

**C41** The process involved in identifying the true cost of the LINC schemes was problematic due to some minor errors, the use of cost codes including non-LINC activity and the difficulty in making a clear separation between LINC 11-21 and the youth development service.

**C42** The cost of the LINC scheme to the Council in 2001/2002 has been estimated at £92,000 verifiable expenditure and a more subjective estimate of £194,000, which includes the cost of discounts borne.

**Recommendations**

**R29** The coding structure should be revised so that there is a definite split between the various categories of LINC, including the apportionment of salaries where appropriate.

**R30** The budget holders must benefit from budget monitoring information on a regular basis to ensure correct coding and cost allocation.

**R31** The reporting of financial information outlining the overall cost of the LINC scheme should be reported to the L&CS Panel quarterly.

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**7.0. Objective 4 – Initiate, monitor and report upon a pilot assessment to establish the use of the LINC card scheme within all Council facilities.**

**7.1. Key Task 1** To obtain L&CSD management support to deploy a simple pro forma assessment form to record all LINC transactions for one week.

**7.2. Approach**

At the first Select Committee meeting members approved the data capture form to initiate this pilot exercise. In addition, L&CSD management agreed to co-ordinate the distribution the form throughout all their facilities, which conduct LINC transactions. All data forms were to be returned to the Research Officer for evaluation.

The following centres have taken part in a weeklong pilot exercise to determine not only the extent of LINC usage but to establish who the users are and frequency of use. The exercise was completed for all facilities over three separate weeks, as detailed in **Figure 17**.

**Figure 17, Participation facilities in pilot exercise**

<b>4<sup>th</sup> to 10<sup>th</sup> March 2002</b>	
Orrell Water Park	Ince Library
Haigh Golf	Wigan Library
Pennington Golf	Marsh Green Library
Leigh Library	Tyldesley Library
Atherton Library	Orrell Library
Ashton Library	Abram Library
Golborne Library	History Shop
Shevington Library	Hindley Library
Standish Library	Beech Hill Library
Aspull Library	
<b>18<sup>th</sup> to 24<sup>th</sup> March 2002</b>	
Wigan Pool	Tyldesley Pool
Atherton Pool	Hindley Leisure Centre
<b>29<sup>th</sup> April to 5<sup>th</sup> May 2002</b>	
Howe Bridge	Ashton Leisure Centre

**7.3. Findings**

**7.3.1.** Due to the timescales involved in producing this report, the delayed results from Howe Bridge and Ashton leisure centres have not been included within these findings. They will, however be available to the L&CSD at the conclusion of this review.

The main findings from this exercise are:

- At the above centres, LINC cards were used on 1,323 occasions.

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- This LINC usage represents 27% of total usage for the period. It should be noted that this percentage is against all usage, not just the usage that attracts a LINC discount.
- Although there were 1,323 visits during the pilot exercise, these were made by 835 individual visitors. This represents less than 2% of the total LINC membership.
- Of those 835 visitors the percentage frequency of their attendance can be summarised as follows:

<b>61%</b>	<b>Visited on one occasion</b>
<b>27%</b>	<b>Visited on two occasions</b>
<b>9%</b>	<b>Visited on three occasions</b>
<b>2%</b>	<b>Visited on four occasions</b>
<b>1%</b>	<b>Visited on five occasions</b>
<b>0%</b>	<b>Visited on six occasions</b>

- LINC usage by gender is equally split.
- The majority of usage (59%) was in respect of swimming activity, 22% was in respect of gym activity, 7% was in respect of use of the sauna and 4% was in respect of golf. The remaining 8% were split over all other activities that attract a LINC discount.
- Usage by card type is as follows:

Type	Number used during pilot exercise	% of total usage	Actual membership numbers	% of actual membership by category
<b>Standard</b>	<b>1</b>	<b>0</b>	<b>18</b>	<b>5.5</b>
<b>Minus 11</b>	<b>46</b>	<b>3.5</b>	<b>6,716</b>	<b>0.7</b>
<b>LINC 11-21</b>	<b>137</b>	<b>10.5</b>	<b>30,983</b>	<b>0.4</b>
<b>Advantage</b>	<b>414</b>	<b>31</b>	<b>2,802</b>	<b>14.8</b>
<b>Gold</b>	<b>723</b>	<b>55</b>	<b>5,931</b>	<b>12.2</b>

- The usage during the pilot exercise is shown graphically in the pie chart, **Figure 18**, held within the Appendices.

**7.3.2.** This Select Committee concludes:

**C43** 86% of LINC card usage during the pilot period, was by users holding Advantage or Advantage Gold LINC cards. These were the target groups (people on lower incomes and the elderly) when the LINC scheme was originally introduced.

**C44** Standard LINC card usage during the period was insignificant.

**C45** The usage of LINC cards is clearly not representative of the membership numbers by category.

**C46** Usage by young people was less than 15% of LINC card usage during the pilot period, which may suggest that young people do not place value on the discounts available.

**C47** Although LINC discounts are available on activities, the greater proportions of users are paying

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full price.

**C48** With reference to the above point, this may be as a result of one or more of the following:

- time restrictions limited the use of the LINC card
- discounts in monetary terms are considered small and not valued by the greatest proportion of users or potential users
- there is an absence of effective promotional material at point of sale
- marketing and promotion has minimum impact
- staff are not actively and effectively promoting the value of LINC to customers.

To supplement this pilot exercise, a separate exercise was conducted to identify the number of visits to activities that attract a LINC discount and the number of visits where a LINC discount was given. This was based on revised estimated usage figures for 2001/2002 and the results are as detailed below in **Figure 19**.

**Figure 19, LINC visits versus non-LINC visits**

Facility	Total visits	Activities that attract a LINC discount		No LINC discount	With LINC discount
Hindley Leisure Centre	19,157	12,740 67%		8,230 43%	4,510 24%
Atherton Baths	15,120	11,460 76%		7,130 47%	4,330 29%
Haigh Hall	78,126	15,950 20%		14,750 19%	1,200 1%
Orrell Water Park	3,738	3,678 98%		2,980 80%	698 18%

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**Recommendations**

**R32** Similar pilot exercises should be repeated, at varying times throughout the year, and the resultant data should be evaluated to assist in the process of determining whether or not the service delivery is meeting stated aims and objectives. It should both complement and inform the consultation work that is undertaken.

**R33** Utilise the frequency and activity usage intelligence data to assist in the specific targeting of customers when undertaking marketing and promotion campaigns and to maintain a higher degree of customer focus.

**R34** Consideration should be given to the introduction of a loyalty reward scheme from frequent users of Council services.

**R35** Random sampling research, which is statistically significant, should be undertaken to determine what factors contribute to customers not taking advantage of LINC discounts.

**R36** Consideration to be given to increasing the level and extent of discounts available to LINC members, placing particular emphasis on the discounts attractive and accessible to those members holding a LINC Advantage or LINC Advantage Gold card (target groups).

**R37** A number of local performance indicators to be developed, specific to the separate objectives of each category of LINC which will clearly identify the success or otherwise of each LINC category in relation to its stated objectives. Performance against these measures to be reported on a regular basis to the L&CS Panel.

**R38** Any changes made to the LINC scheme as a result of this review which involve the retention of the LINC cards should be well publicised in an attempt to boost current usage.

## Overview and Scrutiny Select Committee No. 1 LINC Discount Card Review

**7.5. Key Task 2** – To obtain trend data regarding all wet usage at the Council facilities over a period of time.

**7.6. Approach** – Usage data for the period 1993/94 to 2000/01 in respect of all “wet” activities only was used to determine the level of usage by LINC and non-LINC users. The data for wet activities only was used for a number of reasons, viz;

- Data was already held from a previous Overview and Scrutiny Select Committee review (Decline in Casual Swimming)
- Limited time for data collection and analysis
- Earlier consultation exercises undertaken by the L&CSD indicated that swimming was by far the most popular activity undertaken by LINC card members.

### **7.7. Findings**

- Wet activity usage peaked in 1995/96 at 606,433 visits and has declined steadily to 442,626 in 2000/01. By comparison, LINC wet activity usage has remained relatively stable throughout this period from 71,126 visits in 1995/96 to 71,925 visits in 2000/01, peaking during 1997/98 to 85,811 visits. This is illustrated graphically in **Figure 20**, held within the Appendices.
- During this same period total LINC membership has risen by approximately 1,100% with a significant increase in 1997/98 to coincide with the introduction of LINC 11-21, which was successfully launched in 1996. This is illustrated graphically in **Figure 21**, held within the Appendices.
- The LINC wet usage as a percentage of total wet usage for the period 1993/94 to 2000/01 was calculated and is illustrated graphically in **Figure 22**, held within the Appendices. In addition, the results for 2000/01 only are presented in a pie chart in **Figure 23**, held within the Appendices.

The main findings of this exercise are:

- LINC usage represented an average of 14% of total usage over the period.
- LINC usage as a percentage was in decline prior to 1996/97, when LINC 11-21 was launched.
- LINC usage as a percentage of all wet usage has risen steadily since 1996/97 to its highest recorded position in 2000/01 at 16%, explained by the declining total numbers.
- LINC usage in wet activities has not grown at the same rate as LINC membership.
- The percentage changes in LINC and non-LINC usage for the period 1993/94 to 2000/01 was calculated and is illustrated graphically in **Figure 24**, held within the Appendices.

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The main findings of this exercise are:

- Non-LINC usage has declined by 27% between 1993/94 and 2000/01 but LINC usage had increased by 1% over the same period.
- The percentage increase on LINC usage was particularly significant during 1997/98 when it was 21% higher than the 1993/94 figure.
- Although the percentage changes to the base year between LINC and non-LINC usage show differences, (non-LINC 73% in 2000/01 and LINC 101% in 2000/01) for the last 3-years they have been showing a similar trend of decline.

This Select Committee concludes:

**C49** LINC membership usage for wet activities have grown slightly against a background of significant decline in total wet usage, over the period considered.

**C50** There has been a significant growth in LINC membership over the last 5-years, however, this is not providing the anticipated growth in LINC usage for wet activities.

**C51** In addition to other objectives, one objective of the original LINC scheme was to boost visits to the Council's facilities. The trend data available does not suggest that a significant impact has been made on number of visits.

**C52** Trend data suggests that although the novelty of a scheme can boost numbers temporarily, the LINC members who use their cards follow the same trend as non-LINC members, for example swimming. This may also suggest that the LINC members were existing participants.

**Recommendations**

**R39** L&CSD to repeat the 'wet' exercise for all dry side activities to obtain a complete understanding of the relationship between LINC membership and LINC usage at all leisure facilities.

**R40** Establish quarterly and annual monitoring and evaluation to determine current trend and predict future trends, impacts and outcomes.

**R41** L&CSD to conduct consultation with LINC card holders to explore reasons for non-usage.

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**8.0. Objective 5 – Compare the LINC card scheme with similar schemes in other local authorities to learn from good practice.**

**8.1. Key Task 1** – To identify leisure discount schemes run by other Councils, in particular those identified as good practice schemes.

**8.2. Approach**

A desk top exercise was undertaken which involved internet searches (for Councils advertising these schemes) and telephone calls to Councils identified on the Internet plus a local Council that was known to provide a discount scheme.

In addition, a questionnaire was issued to the representatives of Local Education Authorities at a North West regional meeting and enquiries were made of two universities to help identify good practice in this area. Disappointingly, only one Council returned a completed questionnaire and neither of the universities was able to assist.

**8.3. Findings**

- Information was obtained about the discount schemes operated at five Councils. Details are provided at **Figure 25** but the main findings are detailed below.
- Children (under 18) are not included in the Leisure discount schemes at two of the Councils contacted and are only included in one of the remaining schemes if their carer / parent is in receipt of benefits.
- Other issues, youth work for example, are not addressed within the objectives of these other schemes. (Note the exception at Bolton, see **Figure 25**)
- In some cases, there is no differentiation between cards that would identify a member's age or financial circumstances. The differentiation is the fee charged to obtain a card.
- Some of the schemes were more akin to the BLT / Full Monty / Gold / Platinum schemes run by Wigan.
- None of the five Councils identified operated a system of membership that exceeded 1 year.
- Three of the five Councils involve the private sector in the discount scheme and one of these appears to involve them on a loyalty rather than a discount basis. Of the two that encouraged the private sector to offer discounts, neither had more than 50 discounters involved.
- Not all five Councils used smart card (high tech) technology. Where it had been introduced, it is not always currently being used to its' full potential.
- Of those schemes looked at, none appeared to have the same level of restrictions or price differentiation issues as at Wigan.

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- An officer from the Highland Council was contacted as part of the review to obtain further details about their acclaimed scheme. The main areas of interest from this exercise are detailed below:
  - The current scheme is not a discount one but is similar to our own direct debit schemes. The main differences are that only one all-inclusive scheme applies and membership is free to people and their families on benefits. This does not happen at Wigan.
  - There has been an overall take up of the card by 62% of the population. This varies between districts and is accounted for in the main by the facilities located in an area.
  - The Council claims that usage has increased based on questionnaires and actual attendance.
  - There is very little direct competition to the Council's facilities. Most private facilities are, at least 30 minutes drive away.
  - At the time of the review, the Highland Council is still conducting this as a pilot exercise that is due to be extended.
  - The Council is able to demonstrate that the scheme is successful against a number of objectives, namely:
    - Development of a pricing structure to increase income through direct debits from existing customers.
    - Encourage occasional visitors to sign up and adopt a healthier lifestyle.
    - Ensuring that price would never again be a barrier to participation.
  - The Highland Council has achieved this success without including private sector discounters.

This Select Committee concludes:

**C53** Other schemes would appear to be less complex than the schemes operated at Wigan with regard to restrictions on use, differential pricing, inclusion of other issues i.e. youth development.

**C54** The extent of discounts available would appear to be greater at other Councils.

**C55** Memberships at other Councils are renewable annually, which would appear to be more effective in that the database of members is more accurate and members are likely to use their cards.

**C56** Other Councils either do not consider it necessary to involve private sector discounters or operate on a much smaller scale than at Wigan.

**C57** Smart card (high tech) technology is not a requirement for a successful scheme.

**C58** Discounts at the point of sale are not a requirement of a successful scheme. Other options are available. which differentiate between people on different incomes

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**C59** There is much to be learned even from this relatively small exercise.

**Recommendations**

**R42** Officers from the L&CSD must continue the work in this area which commenced during this review.

**R43** The good practice identified must be evaluated to determine whether they offer practical solutions to the situation at Wigan.

**R44** L&CSD revisit LINC immediately to ensure that it does not stigmatise people at the point of sale.

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**APPENDICES**

**Overview and Scrutiny Select Committee No. 1  
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**Copy of response to the draft report from the Director of Leisure and Cultural Services Department.**

**OVERVIEW & SCRUTINY SELECT COMMITTEE. NO 1**

**LINC CARD REVIEW**

**SUMMARY OF FINDINGS – WORKING DRAFT**

**COMMENTS FROM LEISURE & CULTURAL SERVICES DEPT.**

The following is an initial response prior to a more detailed consideration when the report is formally presented to a future Cultural Services Panel.

Overall we did not have too many areas of serious disagreement with the working draft. There are some areas of detail that one might take issue with but we accept that the committee had to look at a very complicated issue in a very short time.

We think the report needs to acknowledge that many Councils are having difficulties in meeting the social objectives of their Leisure Discount cards. Bolton for example, which is listed in the report as an example we might learn from, has just had a critical assessment of its Leisure Card in its BV inspection and their Assistant Director and Cabinet member indicated to us in February that the scheme had limited take up in the target groups.

This Department has recognised for some time that the scheme needed to be restructured, simplified and made more effective. This was the main reason for inviting the Committee to report. We think the work of the committee will provide a good basis from which to proceed.

We would also just like to note that any problems with the scheme should be recognised as structural and management issues. This should in no way reflect on the capabilities or commitment of the Linc staff who have suffered from a lack of direction while my predecessor was on long term sick.

Regarding the detail of the report:

**1. OBJECTIVE 1 – Impact in Relation to Original Objectives**

**Schemes:**

- **Standard** – Recommend to discontinue.

LCSD have no problem with this and have proposed it in the past.

- **Advantage & Advantage Gold** – Higher priority on targeting discounts at this group, not necessarily via Linc, more effective recruitment and usage monitoring.

The Dept can produce a plan to address this although it is a more difficult group to target. Consultation could also be undertaken given adequate resources.

(Please note that Advantage is referred to incorrectly as Advantage Standard at several points in the report.)

- **Linc 11-21** – This area is more complex and we found it more difficult to distil the main thrust of the report.

## **Overview and Scrutiny Select Committee No. 1 LINC Discount Card Review**

Again we should do a review of the schemes operation

In respect of annual membership cards we may be better to use positive reply cards to ensure members are still interested

Consultation is also required for this part of the scheme.

There is little we can do about Connexions until it evolves although the AIM team have been approached by Connexions with a view to Linkages already.

The age break 11-21 is derived from Services for Young People, a corporate issue, so it would be difficult for LCSD to change ourselves. However corporate policy may need looking at in the light of Connexions

There is a web site already used for the AIM strategy which has achieved 6120 hits in March 02, so the newspaper is not the only media used. AIM also funds "The Line" which is a telephone, e-mail and text helpline for young people. Information is distributed to at 130 information points. And through detached Youth Workers and others who work with young people.

We are also not sure one can make sweeping comments about what articles are and are not appropriate for various ages. The paper receives few complaints and all articles are vetted.

Only three issues of the paper were produced due to budget constraints.

The Education database was looked at when the scheme started in 1995 but there was a strong feeling that there should be a choice in joining. However we can revisit this particularly if cost savings can be made.

- **Linc Minus 11** – Discontinue and find alternative means of encouraging this group.

We do not disagree with this and would expect to allow the scheme to die off after April 03 as members will obviously fall off as they pass 11.

However we should point out that the original objectives of the scheme, which the report quotes, were revised in agreement with SRB as there had been confusion about the objectives, i.e. was it membership in the whole borough or just the 17 schools. These figures of course do not account for expired minus 11 members who may have gone on to the 11-21.

### **Management:**

- Establish review group to simplify scheme, improve monitoring, and examine new technology.

We will establish a review group, this was put on hold pending the committee report.

However we are not convinced that Leisure can take the lead in looking at new technology and believe it needs to be done corporately due to the cost, the potential for a corporate scheme and the danger of fragmentation if sections / departments go it alone.

### **2. OBJECTIVE 2 – Review Aims & Objectives.**

- Focus on specific groups in greatest need in line with the Authority's anti-poverty strategy.
- Use to generate increased income for leisure facilities. (off peak?)

## **Overview and Scrutiny Select Committee No. 1 LINC Discount Card Review**

We agree with the need to refocus the scheme on the needy. We are not sure how compatible the objective is with the needs of the centres to generate income – this will become a critical issue if we move to a trust. It will be difficult to target the discounts on needy people not already using the facilities in order to ensure both parties are benefiting, other wise there will be a cost to the Authority. Quite a lot of research will need to be conducted as well as financial modelling and a well-targeted marketing campaign.

- Discontinue non-Council discounts. We agree with this conclusion.

### **3. OBJECTIVE 3 – Costs & Benefits.**

#### **Discounts:**

- Balance level of discount with social objectives, extend pilot survey, undertake consultation.

We agree that we need to look at extending the research both statistically and in terms of consultation. This will have to take priority once a Review Group has been established.

#### **Staff:**

- Better financial controls and reporting to monitor expenditure.

We will look at improving the management reports. The coding structure is very flexible, and does accommodate cost codes for the different Linc categories. Currently different codes exist and are used for the different Linc categories. Youth Development activity can similarly be separated out.

There may be occasional errors in posting. However, as all managers receive a monthly Expenditure analysis and a budget monitoring report, there is the opportunity to track postings and request that any errors be corrected. Information provided to the management of Linc does not appear to be different than for any other section. Budget monitoring information needs to be cascaded to relevant staff. There are obviously shortcomings with FMIS, which the Council is addressing.

Salary apportionment is a recommendation that can be taken up.

### **4. OBJECTIVE 4 – Establish Use.**

#### **Pilot Exercise**

- Repeat periodically and use info in marketing.
- Consider loyalty scheme and extend discounts
- Promote any changes

While we agree the pilot exercise was long overdue and does need to be extended. We would need to be cautious about drawing any firm conclusions about the results, as it is a snap shot. A week during the school holidays for example might have given an entirely different mix of ages.

#### **Wet Activities:**

- Repeat for dry
- Monitor regularly
- Consultation

## **Overview and Scrutiny Select Committee No. 1 LINC Discount Card Review**

Those of us not involved in the casual swimming exercise would welcome a little more explanation of the tables on wet usage. However we agree more analysis needs to be done on the wet and dry usage figures we have.

### **5. OBJECTIVE 5 – Compare with Other Schemes.**

- Continue this work and learn from other Councils

We agree that further comparative work needs to be done with other Councils. However one needs to be cautious about taking the schemes at face value given the poor BV reports.

### **SUMMARY**

Given that we have yet to see the final report we would suggest the following actions:

- Establish a review team
- Establish corporate group on new technology
- Raise issue of age bands with corporate strategy “Services for Young People”
- Finalise and implement consultation strategy
- Complete usage analysis and pilot exercise
- Disengagement plan for Minus 11 and Standard
- Review discounts
- Develop plan for revised scheme.

**Prepared by David Scott**

**21<sup>st</sup> May 2002**

**Following discussion with: R. Hill, P. Gascoigne, M. Farrar, and M. Green**