

## Proposed Price Increases 2026/27 - Report by Chief Executive

### Summary

This report provides the Board with details of proposals for increasing the prices for the *highlife* membership packages and leisure pay as you go prices as part of the 2026/27 budget setting process.

It is recommended that Directors:

- i. approve the pricing proposal for *highlife* subscriptions; and
- ii. approve the pricing proposal for pay-as-you-go and letting activities, including a level of management discretionary pricing around key products/activities based on competitor analysis.

### 1. Strategic Contribution

1.1 High Life Highland's (HLH) purpose is **Making Life Better**. The HLH Strategy for 2025-2030, contains five strategic objectives which support the delivery of this purpose, and this report supports the highlighted outcomes in the strategy.

1. **Delivery of affordable, accessible, and inclusive services across the region.**
2. **Maximise and grow our income to re-invest across our services.**
3. **Ensure a consistent high value of delivery across HLH services.**
4. Commit to the net zero and sustainability agenda.
5. Efficient and effective service delivery through our people and processes.

### 2. Background

2.1 This report provides the detail of the proposed price increases to be introduced for financial year 2026/27 as part of the budget setting process.

2.2 This report outlines the proposed increases and the rationale for:

- *highlife* membership packages.
- Pay-As-You-Go (PAYG) activities.

### 3. Price increase – *highlife* subscriptions

3.1 It is proposed to present a price increase for the *highlife* subscriptions which is based more on a price of the monthly payment as opposed to a fixed percentage increase. The reasons for this are outlined later in the report. That said, the table below shows the proposed increases for 2026/27 and includes increases over five years for reference.

	2026/27	2025/26	2024/25	2023/24	2022/23
<b>highlife</b>	3.4% - Ind 4.7% - Fam	6.95% (rounded up to 99p)	6.95%	9.00%	5.00%

## 3.2 Price Increase

3.2.1 Monthly **highlife** prices in the current financial year are: £28.99 for an individual subscription and £42.99 for a family subscription.

3.2.2 Taking into account the **highlife** membership is the charity's highest income generator, as in previous years a substantial amount of consideration has been given to setting the monthly fee at a rate which supports the charity and its ongoing investment in delivering its charitable objectives.

3.2.3 As of 1 April 2026, the following monthly subscriptions are recommended:

**Individual = £29.99 (+3.4%)**

**Family = £44.99 (+4.7%)**

3.2.4 Directors should note that the above pricing increases have been specifically set to ensure neither family nor individual subscriptions cross a round-figure "threshold" of £30 and £45 respectively. (Section 3.3 of this report highlights how the Charity will prepare itself for the crossover, likely to be next year).

3.2.5 Directors will recall the purpose of setting the price levels at this stage of the year is to enable the necessary (and legally required) administrative notification processes to take place in time for the increase. Presuming the increase is approved, the **highlife** administration team is set to commence the process of communicating with members early in the New Year and will undertake the necessary systems admin to ensure that the Direct Debit run in April 2026 reflects the new prices.

3.2.6 Directors may recall that in 2023, a benchmarking review was undertaken across other Scottish trusts, alongside a customer consultation which took place to establish any pricing "tipping points" that may prompt existing members to reconsider and/or cancel their subscription.

3.2.7 As a reminder, in the previous customers consultation, HLH members were asked to respond to the question in column one, with their responses (averaged) in the second column.

Question	Answer
At what price would you consider the product/service to be a bargain – a great buy for money (cheap/good value)?	£22.26 (ind) £30.35 (fam)
At what price would you say the product/service is starting to get expensive – it's not out the question, but you'd have to give some thought to buying it (expensive/high side)?	£32.51 (ind) £44.23 (fam)

At what price would you consider the product/service to be so expensive that you would not consider buying it (too expensive)?	£42.20 (ind) £57.44 (fam)
--	------------------------------

3.2.8 The samples were taken from across the Highlands and the above results indicate that, in the main, the new pricing proposal sits generally within the parameters, albeit starting to push towards the top end of the pricing responses. For the family membership, it is now sitting in a place where the main purchaser may be giving some thought as to the value for money.

3.2.9 Based on the above monthly subscription levels and average monthly growth of 0.25% (also the same as last year) the following table details projected income for financial year 2026/27. Directors should note that at time of writing this report the projected year end out-turn for subscriptions is likely to be around 20,300 memberships, therefore the table below is based on that position at end of March 2026. The figure that will ultimately be transposed into April 2026 will be that of the actual year-end position.

Month	Projected Subscriptions	Monthly Gain/Loss	% Change	Projected Income (£)
April	20,300	-	0.12%	£ 760,000.00
May	20,132	-168	-0.83%	£ 768,017.11
June	20,031	-101	-0.50%	£ 764,177.02
July	20,065	34	0.17%	£ 765,476.12
August	20,225	161	0.80%	£ 771,599.93
September	19,714	-512	-2.53%	£ 752,078.45
October	20,023	310	1.57%	£ 763,886.08
November	20,063	40	0.20%	£ 765,413.86
December	20,063	0	0.00%	£ 765,413.86
January	20,525	461	2.30%	£ 783,018.38
February	20,935	410	2.00%	£ 798,678.74
March	20,872	-63	-0.30%	£ 796,282.71
<b>Total</b>		<b>572</b>		<b>£ 9,254,042.25</b>

3.2.10 The proposed increase would generate an increase of £230K in *highlife* income for the financial year 2026/27 based on an expected/projected net growth of 572 primary member subscriptions.

3.2.11 *Growth* – The figures have been reached by interrogating the current year's performance and based on the expected out-turn in March 2026.

3.2.12 *Attrition* – In previous years, the Charity has seen a general increase in ~150 membership cancellations when a price increase is announced. Considering the proposed price increase is now “pushing” on the upper levels of the previous consultation, particular attention will be given to the attrition numbers in April and

May and will be closely monitored by both the Head of Commercial Partnership and Growth, and Head of Leisure.

### **3.3 *highlife* Product Review 2026**

3.3.1 Directors should note that during the current financial year, a substantial level of review and discussion has taken place within the Community, Leisure and Sport Service regarding the existing *highlife* model and whether it is still meeting the current market needs and customer expectations.

3.3.2 These discussions have centred around:

- What members want from their memberships?
- Increased competition to the *highlife* card across the Highlands.
- The offering within the *highlife* membership.
- Increasing (year-on-year) disparity with subscription charges and Pay-as-you-play charges.
- Changes in gym and class user demographic.
- Potential abuse of the flexibility of the *highlife* scheme when compared to other memberships.
- Increase in younger customer profile – with no product within the *highlife* suite to accommodate this demographic.
- Programming at sites, particularly to accommodate the family market.
- Added value to the *highlife* product.
- Overall value for money from the *highlife* scheme.

3.3.3 This report presents a proposed price-increase position for FY 2026/27. However, Directors should note that during the forthcoming year the Community, Leisure and Sport senior team will be undertaking a full review of the *highlife* scheme with a view to bringing recommendations to a future Board meeting. It should be noted this will be the **first** full review of the *highlife* scheme since it was implemented in the late 1990's.

3.3.4 The scope of the *highlife* review will consider the points highlighted in 3.3.2, along with the following:

- Customer consultation
- Input of Leisure Centre Customer User Forums
- Consideration of demographic information in previous consultant reports
- Accessibility for all
- Geographic considerations
- Refurbishment plans for leisure sites and community centres.
- Incorporating the Sports team (volunteers and coaches) into the programme.

### **3.4 Price Increase Pay-as-you-go (PAYG)**

3.4.1 At the December 2024 Board meeting, Directors were informed that High Life Highland's pay-as-you-go (PAYG) admissions charges were at the top-end of Scottish benchmarked figures. This remains the case.

3.4.2 Taking the above into account, the Board is asked to authorise a PAYG price increase of 5% (with further service management discretion) across all services.

- 3.4.3 Directors should be aware that a further line-by-line review will be undertaken by the Head of Leisure and Senior Leisure team to identify any activities that are becoming non-competitive. As part of this process, Directors are asked to authorise a  $\pm\%$  on all PAYG activities (but not less than inflation which is currently at 3.6% at time of writing this report), when compared with competitor analysis. (This will mean some products could potentially be reduced or increased - all of which will be supported by full justifications).
- 3.4.4 Taking the above into account there will be a projected income increase on PAYG activities of ~£150K for the forthcoming financial year.

#### 4. Implications

- 4.1 Resource Implications – setting of a balanced budget for 2026/27 will be dependent on approval of this level of price increase.
- 4.2 Legal Implications – there are no new legal implications associated with the recommendations of this report, however, as per the contract with THC, permission will have to be sought for an above-inflation price increase as part of the budget setting process.
- 4.3 Impact Assessment - All policies, strategies, or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a Integrated Impact Assessment (IIA) screening will be undertaken. As this report is seeking a decision an IIA screening will be undertaken by service.
- 4.4 Risk Implications – there are no new risk implications associated with the recommendations of this report.

#### Recommendation

It is recommended that Directors:

- i. approve the pricing proposal for *highlife* subscriptions; and
- ii. approve the pricing proposals for pay-as-you-go and letting activities, including a level of service management discretionary pricing around key products/activities based on competitor analysis.

Designation: Chief Executive

Date: 27 November 2025

Author: James Martin, Director of Community, Leisure and Sport