



RECORD OF DELEGATED OFFICER DECISION

SUBJECT: Increase to on-line selling fees

PURPOSE OF REPORT:

To set out and inform the Cabinet Member responsible for RCT theatres of the need to implement an increase to on-line selling fees and seek their approval.

DELEGATED DECISION (Date):

To increase on-line selling fees to £2.50 per transaction.


Chief Officer Signature

STEVE MERRITT
Print Name

28/7/15.
Date

The decision is taken in accordance with Section 15 of the Local Government Act, 2000 (Executive Functions) and in the terms set out in Section 5 of Part 3 of the Council's Constitution

A. Cummings

CONSULTEE CABINET MEMBER SIGNATURE

28th July 2015

DATE

OFFICER CONSULTEE SIGNATURE

DATE

Directorate:	CHIEF EXECUTIVE
Contact Name:	Strinda Davies
Designation:	Head of Arts Service
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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

**MUNICIPAL YEAR 2015 - 16
REPORT TO ACCOMPANY DECISION OF THE CHIEF EXECUTIVE (SERVICE
DIRECTOR, CABINET & PUBLIC RELATIONS)**

Part 1 (Non-Confidential)

Increase to on-line booking fee
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1. PURPOSE OF THE REPORT

1.1. To set out the out the rationale for increasing the on-line booking fee currently levied by RCT Arts Service through the Databox system.

1.2 In accordance with the Council's Scheme of Delegation, this report has been prepared to accompany the intended Officer decision of the Chief Executive as described below.

2. RECOMMENDATIONS

2.1. It is recommended that the on-line booking fee for RCT Theatres' tickets be increased to £2.50 per transaction

2.2. The increase will better accommodate customers purchasing tickets on-line, following the recent Arts service change, by enabling the service to sell tickets on-line for those shows which are presented by groups that hire the theatres. This will be at no charge to the hiring company and at little or no cost to the service.

3. BACKGROUND

3.1. On-line selling has become an increasingly popular method for booking tickets over the past few years. The Arts service currently charges a £1 convenience fee per on-line transaction for tickets from the 2 RCT Theatres, which offsets some of the charge levied by Tickets.com, the theatre industry standard ticketing system provider that is used by RCT Theatres..

The Arts service makes tickets for its own presented events only available for purchase on-line as the service, recognising that the convenience afforded by on-line selling comes at a cost to the service. This cost is built into the service's annual operating costs.

Tickets.com charge the service the following amounts for each transaction on-line transaction:

Item	Amount
Tickets.com Charge	£1.50 + VAT
Bank Charge	£0.30 + VAT
Credit/Debit Card Charge	1.9% + VAT

3.3. A table showing the amounts charged, relative to transaction value is shown in **Appendix 1**. The table shows that for a transaction of value £40, the net cost to the service is £1.75. This is the average on-line transaction value at the two RCT theatres. At the lower end, a £15 transaction results in a net cost to the service of £1.27. This is the average value of two tickets to an event presented by a group that hires either of RCT theatres.

The £2.50 charge places the service and the Council within the mid range for charges when compared to other arts organisations' theatres within South Wales.

3.4. A table showing the effect of increasing the on-line convenience fee to £2.50 is contained in **Appendix 2**. This table shows that a £40 transaction would result in a cost to the service of 52p and a £15 transaction would cost the service 5p. At lower transaction values, the service would more than cover the costs associated with on-line sales.

Increasing the on-line convenience charge to £2.50 would better enable the service to cover the costs associated with on-line bookings and enable tickets for events presented by groups hiring RCT Theatres to be made available on-line.

3.5. It is proposed to use Databox at the Rhondda Heritage Park as the main ticket selling software package. This is possible due to a Databox licence becoming available following the closure of the Muni Arts Centre in 2014.

The introduction of on-line as an additional booking method should also improve the customer booking experience by diverting some customers from telephone and in-person booking, and enabling the reception staff to devote more time to each caller.

3.6. The average transaction value at Rhondda Heritage Park for their tours and Santa's Toy Mine tickets is in the region of £10. A convenience charge of £2.50 would result in the Heritage Park covering its costs from on-line sales.

The increase would also enable the Rhondda Heritage Park to enable tickets for its daily Underground Tours and annual Santa's Toy Mine to be made available on-line, as the Heritage service would be able to cover the costs associated with on-line booking for which it has no budget currently.

Appendix 2

Table showing effect of increasing the on-line convenience fee to £2.50

Value	Our Fee	Total Value	Tickets.com Charge	Bank Charge	Merchant Charge	VAT	Total	Cost to service
5	2.5	7.5	1.50	0.30	0.14	0.39	2.33	-0.14
10	2.5	12.5	1.50	0.30	0.24	0.41	2.45	-0.05
15	2.5	17.5	1.50	0.30	0.33	0.43	2.56	0.05
20	2.5	22.5	1.50	0.30	0.43	0.45	2.67	0.14
25	2.5	27.5	1.50	0.30	0.52	0.46	2.79	0.24
30	2.5	32.5	1.50	0.30	0.62	0.48	2.90	0.33
35	2.5	37.5	1.50	0.30	0.71	0.50	3.02	0.43
40	2.5	42.5	1.50	0.30	0.81	0.52	3.13	0.52
45	2.5	47.5	1.50	0.30	0.90	0.54	3.24	0.62
50	2.5	52.5	1.50	0.30	1.00	0.56	3.36	0.71
55	2.5	57.5	1.50	0.30	1.09	0.58	3.47	0.81
60	2.5	62.5	1.50	0.30	1.19	0.60	3.59	0.90
65	2.5	67.5	1.50	0.30	1.28	0.62	3.70	1.00
70	2.5	72.5	1.50	0.30	1.38	0.64	3.81	1.09
75	2.5	77.5	1.50	0.30	1.47	0.65	3.93	1.19
80	2.5	82.5	1.50	0.30	1.57	0.67	4.04	1.28
85	2.5	87.5	1.50	0.30	1.66	0.69	4.16	1.38
90	2.5	92.5	1.50	0.30	1.76	0.71	4.27	1.47
95	2.5	97.5	1.50	0.30	1.85	0.73	4.38	1.57
100	2.5	102.5	1.50	0.30	1.95	0.75	4.50	1.66

Appendix 1

Table of charges levied by Tickets.com relative to transaction value

Value	Our Fee	Total Value	Tickets.com Charge	Bank Charge	Merchant Charge	VAT	Total	Cost to service
5	1	6	1.50	0.30	0.11	0.38	2.30	1.08
10	1	11	1.50	0.30	0.21	0.40	2.41	1.18
15	1	16	1.50	0.30	0.30	0.42	2.52	1.27
20	1	21	1.50	0.30	0.40	0.44	2.64	1.37
25	1	26	1.50	0.30	0.49	0.46	2.75	1.46
30	1	31	1.50	0.30	0.59	0.48	2.87	1.56
35	1	36	1.50	0.30	0.68	0.50	2.98	1.65
40	1	41	1.50	0.30	0.78	0.52	3.09	1.75
45	1	46	1.50	0.30	0.87	0.53	3.21	1.84
50	1	51	1.50	0.30	0.97	0.55	3.32	1.94
55	1	56	1.50	0.30	1.06	0.57	3.44	2.03
60	1	61	1.50	0.30	1.16	0.59	3.55	2.13
65	1	66	1.50	0.30	1.25	0.61	3.66	2.22
70	1	71	1.50	0.30	1.35	0.63	3.78	2.32
75	1	76	1.50	0.30	1.44	0.65	3.89	2.41
80	1	81	1.50	0.30	1.54	0.67	4.01	2.51
85	1	86	1.50	0.30	1.63	0.69	4.12	2.60
90	1	91	1.50	0.30	1.73	0.71	4.23	2.70
95	1	96	1.50	0.30	1.82	0.72	4.35	2.79
100	1	101	1.50	0.30	1.92	0.74	4.46	2.89