

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee: 6 August 2008

Subject: Employee Cosmopolitan Fitness Scheme - Discounted Partner Membership Pilot

1. Purpose

- 1.1** The purpose of this report is to update the Committee on the outcome of the six month pilot which extended the WDC Employee discount scheme to include immediate family members (defined as civil partners/spouse).

2. Background

- 2.1** At the HEED Committee meeting on 09 January 2008 the committee agreed to introduce a six month pilot scheme commencing in February 2008 offering employees' partners/spouse resident within West Dunbartonshire the opportunity to join the Cosmopolitan Fitness Club at a 50% discounted price.
- 2.2** The Committee also instructed the Director of Housing, Environmental and Economic Development to submit a further report to the August HEED Committee providing a statistical analysis and evaluation of the pilot scheme.

3. Main Issues

- 3.1** In February 2008, a pilot scheme was launched to offer employees' partners and spouse the opportunity to join the Cosmopolitan Fitness Club at a 50% discounted price as long as the employee remains a member.
- 3.2** The pilot scheme was launched in February 2008 with a limited sign up period of three months. The scheme was promoted to WDC employees through a global email and at various mini health check days at Council offices including Elm Road, Bruce Street and Garshake Road.
- 3.3** WDC staff are referred to within the scheme as primary members and the partner/spouse member is referred to as a partner member.
- 3.4** A total of 47 WDC partner memberships were sold in the sign up period of February to April 2008. 35 of the associated primary members were existing WDC Employee members and 12 were new members.

3.5 17 of the 47 partner members were previously existing full paying Cosmopolitan members who swapped over into the WDC Partner scheme therefore reducing their membership fee. In summary therefore, the net result of the pilot in terms of new members was 30 new partner members and 12 new primary members (employees).

3.6 At the launch of the Pilot scheme, a risk had been highlighted that the scheme may attract adverse publicity or be the source of complaints from WDC staff whose partners were not eligible for the scheme. There have however been no complaints that Leisure Services are aware of nor has there been any adverse publicity.

4. Personnel Issues

4.1 As anticipated, no additional staffing has been required to support the scheme.

4.2 The Payroll team have not reported encountering any difficulties in processing the Payroll deductions for partner members.

5. Financial Implications

5.1 Of the 17 full paying Cosmopolitan members that swapped into the half price WDC partner membership category 10 were full Cosmopolitan members at £36 per month, 3 were corporate members at £25 per month and 4 were Gym only members at £30 per month. This equates to a loss of £555 per month in membership fees as detailed in the table below.

5.2 In total there were 47 partner members and 12 new WDC members as a result of the pilot scheme, this equates to an income of £1,062 per month, therefore the pilot scheme has generated additional income of £507 per month. All financial figures shown are inclusive of VAT.

5.3 Financial overview

Income gain per month	Income lost per month	Net gain per month
47 partner members & 12 new WDC members @ £18 per month = Total gain £1,062	10 full Cosmopolitan members @ £36 = £360. 3 Corporate members @ £25 per month = £75. 4 Gym only members @ £30 = £120 = Total loss £555	£1,062 gain -£ 555 loss <u>= £507 net gain</u>

5.4 There were no additional costs incurred by Leisure Services in delivering the scheme.

6. Risk Analysis

6.1 There are no risks associated with the content of this report.

7. Conclusions

7.1 The pilot scheme has generated 42 new Cosmopolitan Club Members and has resulted in a net gain of £507 (inclusive of VAT) additional income each month for Leisure Services. This is at a time when there have been a number of Cosmopolitan memberships cancelled by people feeling the current financial pressure on their disposable income.

7.2 The scheme provides greater access to fitness opportunities for WDC residents and contributes to the Council's Health improvement agenda.

7.3 Given that there has been no adverse publicity or complaints regarding the scheme and both attendances and income has increased, the pilot scheme can be considered as a success.

8. Recommendations

8.1 Members of the Committee are asked to:

- (i) note the success of the pilot scheme which operated during February through July 2008; and**
- (ii) approve continuation of the discounted membership scheme for partners/spouse of employees resident with West Dunbartonshire under the terms and conditions previously approved.**

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Date: 11 July 2008

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Appendices: None

Background Papers: HEEDS Committee Report 9 January 2008 - Expansion of Employee Cosmopolitan Fitness Discount Membership Scheme to family members.

Wards Affected:

All