

# Memo

10 May 2016

To: Maungakiekie – Tamaki Local Board

From: Davin Bray - Aquatic & Rec Facilities Contract Manager, Parks, Sport and Recreation

**Subject:** Inflation Adjustment to Casual Admission fees

**Purpose:** To Inform the Maungakiekie – Tamaki Local Board of the proposed Auckland Council – YMCA Proposed Inflation Increase for the contracted Maungakiekie – Tamaki Facilities to come into effect 1<sup>st</sup> July 2016

## YMCA Proposed Fees and Charges

Over the past 3-4 years there has been no increase in pool admission fees and charges across the network. During this time, the cost of providing programs and services has increased significantly. Since commencement of the current management agreement in 2014, the YMCA has not imposed a fee increase of any type.

Auckland Council consider the CPI increase process to be the fairest way of implementing admission increases to the customers— Council only has control of casual admission charges (increases) not Learn to Swim or gym prices

Auckland Council officers agree that the proposed increase adjustments are fair and reasonable, and will enable the YMCA to maintain current service levels to the customers attending these facilities

The programs delivered across the Maungakiekie Tamaki Local Board have helped hundreds of members achieve their goals and improve their health over the past few years. During this time, the cost of providing the programs and services has increased significantly; in addition expenses in a range of areas from insurance costs and utilities have also increased.

**Minimum Wage**

Two minimum wage increases over the past 2 years (\$14.25 – \$15.25) have increased the wage cost on average of between \$10-20k per year.

**Utilities**

8% Increase in Utility costs year on year for the past 3 years; Water, gas and electricity.

**Chemicals**

5-8% Increase in Pool chemical costs year on year for the past 3 years.

**Suppliers**

These increases have also indirectly seen an increase in supplier's prices.

There remain one or two fees specific to a local site as sites are unique in their offerings and.

	Glen Innes	Proposed	Var\$	Var %	OWMP	Proposed	Var\$	Var %	Lagoon Pool	Proposed	Var\$	Var %
Adult 17 plus	\$5.80	\$6.00	\$0.20	3%	\$5.80	\$6.00	\$0.20	3%	\$5.80	\$6.00	\$0.20	3%
Spectator	\$1.10	\$1.10	\$0.00	0	\$1.10	\$1.10	\$0.00	0	\$2.00	\$2.00	\$0.00	0
Senior/Student/Community services card	\$4.50	\$4.70	\$0.20	4%	\$4.50	\$4.70	\$0.20	4%	\$4.50	\$4.70	\$0.20	4%
Supervising adult	\$3.80	\$4.00	\$0.20	5%	\$3.80	\$4.00	\$0.20	5%	\$3.80	\$4.00	\$0.20	5%
Disability Access/carer	\$2.70	\$2.90	\$0.20	7%	\$4.50	\$4.70	\$0.20	4%	\$4.50	\$4.70	\$0.20	4%
Child swim – Dive Pool									\$2.00	\$2.20	\$0.20	10%
Child swim – Hydro Slide					\$2.70	\$2.90	\$0.20	7%	\$3.00	\$3.20	\$0.20	6%

Comparative Prices	Adult 17plus	Subsidy Amount 2016/17	Glen Innes P, Lagoon P/S, Onehunga P, Sir William Jordan
		\$256,259.00 = \$64,064.75 per quarter across all sites in M/T local board area	Auckland Council provide a subsidy to these facilities based on the RFP price for all five sites, the YMCA are then tasked with running the business and meeting their contract KPI's.
Lloyd Elsmore Pool	\$4.00		
Massey Park Pool	\$3.20		
Manurewa Pool & Leisure	\$3.30		
Tepid Baths	\$7.00		
Parnell Baths	\$6.40		

Signature:

A handwritten signature in black ink, appearing to read "J. F. S." with a stylized flourish at the end.