

Adoption of a regional membership structure across council operated pools and leisure centres

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Purpose

1. To endorse the introduction of a regional membership structure across Auckland Council operated pools and leisure centres and approve new membership prices for Otara Pool & Leisure Centre, Papatoetoe Centennial Pools and Allan Brewster Leisure Centre.

Executive summary

2. The Active Recreation team have developed a strategic “Game Plan” to support the vision of the Auckland Sport and Recreation Strategic Action Plan (inspiring more Aucklanders to be more active, more often) and to achieve local board priorities. Deploying a single consolidated operating system across all council operated leisure facilities is a key project in this work programme. The new system supports improved operational and business processes. It also enables Active Recreation to offer a new range of affordable and accessible memberships across all Auckland Council operated leisure centres.
3. A new membership structure was piloted in three leisure centres in June: Moana-Nui-a-Kiwa, Stanmore Bay and East Coast Bays (Albany Stadium Pool opened in February with the same membership categories).
4. The response to the pilot was overwhelmingly positive, with increases in membership, member satisfaction and staff engagement. Active Recreation intend to offer the new memberships across all Auckland Council operated pools and leisure centres, beginning in November 2017. This will provide more choice and membership features, improved benefits and allow full members access to more activities in more centres throughout the region. It will also provide lower cost options for people that predominantly enjoy one activity at their home centre.

The impact in the Otara-Papatoetoe Local Board area

5. Otara Pool and Leisure Centre, Papatoetoe Centennial Pools and Allan Brewster Leisure Centre will all become bronze centres. New members will pay \$16.00 for full membership at these three local centres and seven other bronze centres across Auckland. Currently membership (agreed for 2017/2018) is \$15.70.
6. Alternatively, new members can choose single function memberships at each site. Gym It (gym access only) or Move It (group fitness only) memberships are \$14.00/week.
7. Concessions for seniors, students, disabled and green prescription will also apply to these prices.
8. Existing members are welcome to retain their memberships until:
 - a. their current fixed term membership period ends, at which time they will be offered one of the new fixed or open-term memberships, or
 - b. they choose to upgrade or cancel their open-term direct debit membership.
9. These changes only apply to membership-based products and services. There will be no impact on the cost, features or availability of other activities, including free pool entry, Learn-To-Swim, spa/sauna/steam access, casual fitness, OSCAR after school care, Early Childhood Education (ECE), recreation or holiday programmes.

Recommendation/s

That the board:

- a. endorse the introduction of a regional membership structure across council operated pools and leisure centres.
- b. approve new membership prices for Otara Pool and Leisure Centre, Papatoetoe Centennial Pools and Allan Brewster Leisure Centre for the 2017/2018 financial year. Get Into It bronze membership, valued at \$16.00 per week, and Gym It or Move It membership at \$14.00 per week.

Comments

Enabling more Aucklanders to be more active, more often

10. Council manages forty four aquatic, leisure and ECE facilities across the Auckland region. Nineteen pools and leisure centres are operated under contract or lease agreements by third parties. The remainder are managed and operated by the council's Active Recreation team.
11. The Active Recreation "Game Plan" is a three year transformation programme designed to achieve outcomes aligned to the Auckland Sport and Recreation Strategic Action Plan (ASARSAP):
 - inspiring more Aucklanders to be more active, more often.
 - enabling our children, young people and whanau to reach their potential.
 - delivering quality experiences through an operationally cost neutral leisure network.
12. Based on extensive sector insights, market research, pilot testing and customer feedback, Active Recreation has developed a range of new initiatives to improve engagement with "insufficiently active" Aucklanders. These are based on:
 - offering flexibility and variety in our membership offering, including regional access to Auckland Council operated pools and leisure centres (a new membership structure).
 - providing consistently high quality and engaging member services that encourage and support regular activity for a wide variety of Aucklanders (a new customer promise).
13. Our new leisure consolidated operating system (LCOS) will be deployed across all council operated leisure facilities by March 2018. The new system will support improvements in operational processes and business practices (including: point of sale, processing entries and payments, managing memberships, running programmes and courses, allocating staff).

New Auckland-wide leisure membership

14. One significant advantage of the consolidated operation system – for both customers and council is the ability to simplify and standardise products (memberships), services (courses and programmes) and prices across the leisure network. It will enable us to offer a new range of affordable and accessible "Get Active Your Way" memberships that include access to many more of our council operated leisure centres and activities. Care has been taken to ensure that within each membership tier there is a mix of services including pool, gym and group fitness programmes for customers with "Get into it" membership and that prices are attuned to the local community.
15. In the event that members want access to centres or services that don't fall within their home centre's tier they are welcome to purchase a membership for a tier above.
16. Active Recreation have also introduced a new single function (swimming, fitness, group fitness) membership at each centre to offer a cheaper, more flexible alternative.

17. Get Active Your Way Membership Structure:

Get Active Your Way Membership	GOLD	SILVER	BRONZE
Get Into It Full membership Multi-function multi-centre	\$23.00 / week All 17 centres Gold, Silver & Bronze	\$19.50 / week All 15 centres Silver & Bronze	\$16.00 / week All 10 centres Bronze
NEW Single-centre single-function membership options	Gym It \$19.50 / week Swim It \$16.00 / week	Gym It, Swim It, Move It \$16.00 / week	Gym It, Swim It, Move It \$14.00 / week
Auckland Council operated Pools and Leisure centres *CLM operated	Tepid Baths Marina Fitness	Stanmore Bay Albany Glenfield West Wave Lloyd Elsmore	East Coast Bays Birkenhead Takapuna Howick Otara Manurewa Papatoetoe Allan Brewster Moana-Nui-a-Kiwa Toia*

18. The table below outlines the proposed changes to individual membership:

Type of membership	Description	Replaces	What's the change?
Get Into It	Full membership, offers access to all activities within each centre and to other council operated centres across the region according to three tier groupings: Gold (17 centres, including silver & bronze) Silver (15 centres, including bronze) Bronze (10 centres)	A number (over 50) of different full access memberships. Offered in single or small clusters of centres across the region. Currently prices, services, terms and benefits vary across the region and from centre to centre. Otara, PCP and Allan Brewster full membership = \$15.70/week	Improved clarity and consistency of prices, services and benefits. Access to a much wider range of Auckland Council operated leisure centres. Improved range and quality of services offered. Bronze Get Into It membership = \$16.00/week
Gym It Swim It Move It	Activity based membership option. Offers access to a specific activity at the local centre: Gym It – gym/fitness centre Swim It – pool/spa/sauna Move It – group fitness	Off-peak and restricted single-centre memberships. NA	This is a new, cheaper membership category meeting the demands of customers who only wish to use the gym, pool or group fitness and who can now pay for only that service. Move It, Gym It membership = \$14.00/week

Concessions	Senior, disabled, student, youth and green prescription concessions are available for all membership types. We have also introduced a new Plus One membership for friends and families.	Existing concession offers	Current membership concessions will be carried forward. New membership concessions will be more consistently applied.
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Membership pilot and positive feedback

19. The membership framework has been extensively researched, developed and tested prior to piloting in three sites (Stanmore Bay, East Coast Bays and Moana-Nui-a-Kiwa) in June and July 2017. Albany Stadium Pool opened in February with the same membership categories. These sites represent a diverse range of customers, services and functions. This allowed Active Recreation to test the membership model across a range of local communities, functions and facilities. Feedback from new members who signed up during the pilot period was overwhelmingly positive (e.g. over 90% opted for the “Get Into It” full access bronze membership at Moana-Nui-a-Kiwa).
20. All three pilot centres experienced similar benefit from the new membership structure and have continued with the new membership offering past the end of the period (note that new prices have not been introduced, only the new membership services). This has allowed Active Recreation to continue to evaluate the new membership model against the existing membership offering in other centres. Results remain positive: sales have increased in all pilot centres and both customer and staff experience measures have improved. This is shown in the tables below.
21. New membership growth at pilot leisure centres:

Membership Totals	30 May 2016	30 May 2017	Membership Pilot Begins	30 June 2017	30 July 2017	27 Aug 2017
MNAK Total members	956	985		988	1039	1062
Get Into It members	na	0		+59	+143	+210
ECB Total members	553	571		597	590	576
Get Into It members	na	0		+83	+106	+128
Stanmore Bay Total	1784	2095		2126	2115	2148
Get Into It members	na	0		+117	+191	+260

Customer feedback on the recommended changes

22. Active Recreation performs regular customer research, using Net Promoter Score (NPS) surveys – which provide a quantitative measurement of customer satisfaction. This benchmarks the quality of our customer engagement and service standards.
23. NPS results suggest that, along with other improvements to the service and support offering, the new membership framework has been received really positively by customers.
24. Customer experience results at pilot sites:

Average NPS Scores	3 months, March to May 2017	3 months, June to Sept 2017
Pilot centres	43.6	48.7
Auckland Council Pools & Leisure	28.9	27.4

25. The survey also enquires about the key attributes that customers valued. The top attributes across the pilot sites are:

1. programme suitability.

2. good instructors/teachers.
3. friendliness.
4. value for money.

These are all benefits associated with the new membership services, which reinforces the positive feedback received from staff and through customer interactions.

Inclusion of contracted pools and leisure centres

26. These new membership options will only apply to council operated facilities at this time, with one exception. Staff have an agreement in principle with Community Leisure Management (CLM), one of our three contracted operators, that Auckland Council membership will also include Otahuhu Pool and Leisure Centre (Toia) as a bronze centre.

Impact on existing members of the recommended changes

27. One of the key principles of the change process is that existing members, particularly concession holders are not disadvantaged by the changes. All current membership types will either be continued for active members and access will not change, or the current membership will be matched to an equivalent new membership (and any cost difference discounted). If the new cost is lower in price, existing members will pay the lesser amount. New members will sign up to one of the new membership types at the new prices.
28. Active Recreation are confident that the new Get Active Your Way membership model, coupled with improvements to the service offering and a more integrated network of pools and leisure centres will provide Auckland residents with better access to quality facilities, expert staff and meaningful recreation advice.

Consideration

Local board views and implications

29. Hibiscus and Bays and Mangere-Otahuhu local boards were notified before piloting and updated in workshops after the pilot.
30. To date, the new membership prices have been approved by the Mangere-Otahuhu, Howick Devonport-Takapuna and Hibiscus and Bays local boards.
31. The new membership structure and prices have been presented in workshops to Upper Harbour, Waitemata, Kaipatiki, Manurewa Orakei, local boards. They have all expressed their support for the new membership model.

Māori impact statement

32. The Active Recreation Game Plan and the membership model have been presented to the Northwest Iwi hui. The Iwi representatives were very supportive of these initiatives.
33. Recreation, leisure and aquatics programmes, provided for local communities through pools, leisure centres and recreation teams, contribute to improving wellbeing among Maori communities. Some programmes, such as free swimming for under 16s, are intended to benefit local Maori as a targeted population.

Implementation

34. The membership model and changes to access are being presented to Local Boards for approval during September and October. Meanwhile the Active Recreation support team are developing and delivering staff training to support the new membership structure and customer activation process. Communications for existing members and marketing materials for the new memberships are being created. Active Recreation is aiming, with local board approval, to introduce these membership options in early November.

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Attachments

There are no attachments for this report.

Signatories

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