

ANGUS COUNCIL

ENVIRONMENTAL AND LEISURE SERVICES COMMITTEE – 23 AUGUST 2005
RESOURCES AND CENTRAL SERVICES – 1 SEPTEMBER 2005

INCREASING PHYSICAL ACTIVITY OPPORTUNITIES FOR EMPLOYEES

JOINT REPORT BY THE DIRECTOR OF LEISURE SERVICES
AND THE CHIEF EXECUTIVE

ABSTRACT

To advise committee on the uptake of the pilot scheme as part of the Routes to Leisure Direct Debit (DD) scheme to allow Angus Council employees subsidised access to sports facilities, to increase physical activity and associated health benefits.

1. RECOMMENDATION (S)

It is recommended that the Committee: -

- Note the results of the evaluation of the pilot scheme
- Agree that the scheme as identified within the report is continued on a permanent basis as one of the options under the Direct Debit methods of payment for access to sports facilities
- Note that Leisure Services will continue to evaluate the uptake by employees and report back to committee if further amendments are required with the scheme.

2. BACKGROUND

Report number 1195/04 approved the pilot scheme to increase physical activity opportunities for employees. The scheme allowing discounted Direct Debit rates for access to the sports facilities commenced in November 2004. The report also recommended that an evaluation of the scheme would be carried out and reported to committee at a later date.

3. EVALUATION

The uptake for the period December 2004 till June 2005 (seven months) was 68 employees who were already Direct Debit members who transferred to the pilot scheme, but this was compensated by attracting 141 new employees (staff) to sign up to the scheme making a total of 209 members.

The pilot scheme approved a discounted rate for employees amounting to 25% reduction on the standard monthly Direct Debit charge. From December to April this discount was £6.25 per month and from May 2005 due to an increase in charges was £6.75 per month. The notional loss of income from the 68 employees who transferred during the seven month period was £2,823.75 which was compensated by the 141 new members joining the discount scheme who added £14,378.25 to the income through the Direct Debit payments.

Based on the above a net increase in income of £11,554.50 is therefore apparent. However this net increase ignores the possibility that some of the 141 new entrants to the discount scheme may already have been users of the Council's leisure facilities. The introduction of the discount scheme may therefore have resulted in reduced income from occasional use by some of these 141 employees.

It is difficult to determine how much occasional use income may have been lost as no record is kept of Angus Council employee use of Leisure facilities as members of the general public. The table below provides an indication of the occasional use income potentially lost. This assumes that 75% of the 141 employees who joined the discount scheme would already have been

occasional users of Council leisure facilities and that they, on average, would have used the facilities 1.5 times per week.

Average Admissions Per Week	Time Period in Weeks(approx)	Average Admission Charge	Estimated Occasional Use Employees	Estimated Loss of Occasional Use Income	Impact of Staff Discount Scheme
1.5	29	£2.50	106	£11,527.50	+£27

The Committee will appreciate that the lost income shown in the above table has been determined on the basis of a number of assumptions regarding employee occasional use prior to the introduction of the discount scheme. On a financial basis the table shows that the overall net effect of the introduction of the staff discount scheme may be broadly neutral with occasional use income lost (£11,527.50) being offset by the additional income being generated through the Direct Debit scheme (£11,554.50). The Direct Debit scheme does however provide the benefit to the Council of guaranteed income regardless of use and through time if more employees not currently using the Council's leisure facilities join the scheme will provide additional income compared to current levels.

Leisure Services can absorb the costs associated with the administration of the scheme.

It indicates that a total of 209 employees are now signed up to the scheme and are regular users of the service where they are taking the opportunities for regular physical activity.

It is hoped that continuing the scheme will attract further employees into a lifestyle of more regular physical activity.

4. PROPOSALS

Angus Council, as an employer wishing to promote health and well-being and maximise attendances amongst employees, sees the benefits of the continuation of this scheme to promote physical activity as an integral part of all employees lives.

It is proposed to continue the scheme for Angus Council employees, which would be managed and continue to be regularly evaluated through the LMIS and specifically by utilising the existing Route to Leisure card and Direct Debit scheme.

New members would require to sign up to the Direct Debit scheme and it is proposed that the employee scheme would offer a 25% discount on the standard and joint Direct Debit monthly charge. The joint membership would require both members to be employees of Angus Council. There would be no discounted rate for family or concession Direct Debit monthly charges.

5. FINANCIAL IMPLICATIONS

The management costs associated with the scheme will be contained within the existing budgets and infrastructure associated with the LMIS.

The current standard level of monthly charge for a standard Direct Debit member is £27.00 and joint Direct Debit members are £44.00 (inclusive of VAT).

Employees wishing to apply to join the scheme would require to sign up for the standard monthly DD of £20.25 and joint monthly DD of £33.00 (inclusive of VAT) This charge would provide unlimited use of the sports facilities, subject to availability, on the production of their Route to Leisure card.

Based on the first 7 months of operation the scheme is estimated to have had a broadly neutral effect financially. If the current trend of attracting new employees to the scheme continues then additional income could be generated by sports services. In any event all costs will continue to be absorbed within the overall Leisure Services revenue budget.

6. CONSULTATION

The Chief Executive, the Director of Law and Administration, the Acting Director of Finance, and the Director of Social Work and Health have been consulted in the preparation of this report.

7. HUMAN RIGHTS IMPLICATIONS

There are no human rights implications associated with this report.

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DAVID SAWERS
CHIEF EXECUTIVE

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.