



RHONDDA CYNON TAF

RECORD OF DELEGATED OFFICER DECISION

**SUBJECT:**

**CORPORATE MORE CARD SCHEME**

**PURPOSE OF ATTACHED REPORT:**

To recommend a number of improvements to the existing Corporate More Card scheme.

**DELEGATED DECISION (Date):**

All employees of the Authority and their partners are eligible to join the Corporate MoreCard scheme.

The discount offered to corporate members to be simplified with only two levels of discount being given.

A new category is introduced giving a level 2 discount for serving members of the armed forces.

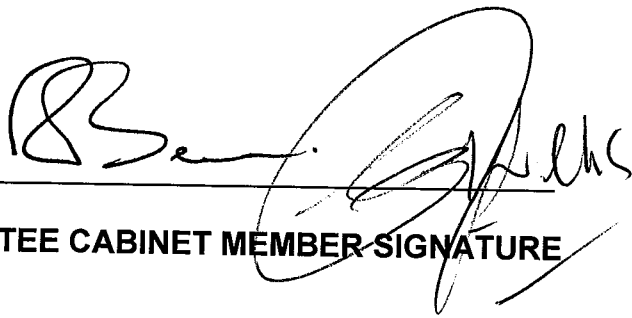
To actively promote Direct Debit as the preferred payment option for Corporate members.

*DG Lane*  
Chief Officer Signature

GEORGE TONK  
Print Name

11/5/2011  
Date

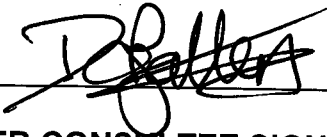
The decision is taken in accordance with Section 15 of the Local Government Act, 2000 (Executive Functions) and in the terms set out in Section 5 of Part 3 of the Council's Constitution



CONSULTEE CABINET MEMBER SIGNATURE

11 - 5 - 2011

DATE



OFFICER CONSULTEE SIGNATURE

12/5/2011

DATE

Directorate:	ENVIRONMENTAL SERVICES
Contact Name:	Dave Batten
Designation:	Head of Leisure Services
Tel.No.	01443 490256

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**MUNICIPAL YEAR 2010 - 11  
REPORT TO ACCOMPANY DECISION OF  
GROUP DIRECTOR, ENVIRONMENTAL SERVICES**

<b>Part 1 (Non-Confidential)</b>
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<b>CORPORATE MORE CARD SCHEME</b>
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**1. PURPOSE OF THE REPORT**

To recommend a number of improvements to the existing Corporate More Card scheme. In accordance with the Council's Scheme of Delegation, this report has been prepared to accompany the intended Officer decision of the Group Director, Environmental Services as described below.

**2. RECOMMENDATIONS**

It is recommended that:

- 2.1 All employees of the Authority and their partners are eligible to join the Corporate MoreCard scheme.
- 2.2 The discount offered to corporate members to be simplified with only two levels of discount being given.
- 2.3 A new category is introduced giving a 50% discount for any serving members of the armed forces.
- 2.4 To actively promote Direct Debit as the preferred payment option for Corporate members.

**3. BACKGROUND**

- 3.1 A Corporate MoreCard scheme was introduced in June 2007, which was based on the then existing MoreCard. The Authority introduced the MoreCard scheme into its leisure centres in 2006, which aimed to reduce price as a barrier to participation and to encourage physical activity. The scheme also provides discounts for dependants of those on means tested benefits and for families.
- 3.2 Fitness clubs in the private sector have recognised that there is a significant potential market in corporate membership schemes and all provide this type of membership. A large number of Local Authorities have introduced such a scheme and are targeting this non-traditional market.

3.3 At present we have over 4890 MoreCard Scheme members broken down as follows

- MoreCard Max – Direct Debit	1947
- MoreCard Value – Direct Debit	195
- MoreCard – Cash Monthly	1210
- MoreCard – Annuals	165
- MoreCard – Corporate	1374

These MoreCard products will generate £1,170,000 income per annum for the Authority (based on April 2011 projections).

3.4 The importance of income derived from the MoreCard range of products is demonstrated by the shift away from casual pay and play income. In 2006 virtually all Leisure Centre activity income was pay and play, however by 2008/9 MoreCard income had reached £825K for the year, representing 31% of all activity income. The projection of £1,170,000 of MoreCard income for 2011/12 will further increase this share to 41%.

3.5 The 1,374 Corporate members currently generate £288,000 of income per year for the Authority (April 2011). There are 627 Rhondda Cynon Taf employees and 747 members from external organisations (list of current members attached as Appendix 1). The external members include nearly 200 partners of the employees, who have been allowed to join the scheme, and there is a significant generation of income from these partners. Presently Rhondda Cynon Taf's employees can only join corporately if they are members of a Trade Union, which has joined the scheme as a discrete organisation.

3.6 The existing MoreCard Corporate Scheme provides for a minimum discount of 15% based on 10 members (15% of MoreMax full rate). This discount rises in increments of 1% per additional 5 members up to a maximum discount of 50% based on 185+ members. Whilst this has provided a level of incentive to join it has proved difficult to administer particularly when numbers increase/decrease and a change in the level of discount is applicable.

3.7 A number of enquiries have been received from serving members of the armed forces who, whilst on leave, have requested discounted entry into our facilities. As the periods of leave are usually fairly short, there is normally no benefit in them purchasing a monthly MoreCard to attain better value. However, there is still an expectation that they will maintain a level of physical fitness, which is required when they return to operational duties.

#### **4. CONCLUSION**

4.1 In order to further increase income levels generated from the More Corporate Scheme it is proposed that all employees of RCT are eligible to join the scheme under the same terms and conditions as external organisations.

The extension of the scheme would undoubtedly help with the Councils quest to gain the Platinum Health Standard by bringing the Authority in line with many of the largest employers in the County Borough.

- 4.2 If the proposed changes to the MoreCard Corporate scheme are approved, it is anticipated the total income derived from the MoreCard products will reach £1.5 million per annum, representing 50% of all activity based income.
- 4.3 In order to simplify the management of the scheme it is proposed to change the scale of discounts offered as follows:-
- 30% discounts for organisations of 10-49 members
  - 50% discount for organisations of 50 members and over

It is not considered viable to offer the scheme to organisations with less than 10 although it is possible that membership could be negotiated with an umbrella organisation for small businesses.

- 4.4 Furthermore it is proposed that rather than payments being made by deductions from pay that the Council should move towards Direct Debit Mandates as the preferred payment method for Corporate MoreCard members.
- 4.5 It is proposed therefore to add an extra category as a level 2 discount to include serving members of the armed forces, providing appropriate identification is presented when attending a leisure centre.
- 4.6 It is recognised that Corporate membership schemes are an aid to staff recruitment and retention, and that such schemes can have a positive affect in reducing levels of sickness. There is also some anecdotal evidence that these corporate membership schemes also improve morale, and assist in team building within organisations. The improvements detailed above will ensure that the Authority's scheme continues to meet the expectations of medium sized organisations, by streamlining its administration and provides the opportunities for generating additional income for the service, and promoting participation in physical activity.

## Appendix 1

### Corporate Membership Schemes

<u>Existing Companies</u>	<u>Commencement Date</u>	<u>Membership (As @ April 2011)</u>
RCT Scheme	June. 2007	627
Cwm Taf	February. 2010	316
GEAES	March. 2010	62
Cynon Taf Housing (Extension of RCT)	June. 2010	9
Griffin Windows	September. 2010	82
Peacocks (Ex.Griffin Staff)	September. 2010	2
Police	October. 2010	165
Welsh Blood / Velindre	November. 2010	30
Coleg Morgannwg	November. 2010	27
Royal Mint	April. 2011	54
<b>Sub Total</b>		<b>1374</b>

<u>Potential Additional Companies</u>	<u>Commencement Date</u>	<u>Membership (As @ April 2011)</u>
British Airways	May. 2011	-
Cardiff & Vale Trust	May. 2011	-
Asda	TBC	-
Ambulance Service	TBC	-
Fire Brigade	TBC	-
Panasonic	TBC	-
SWALEC	TBC	-
Arriva Trains	TBC	-
Stage Coach	TBC	-
Sigma	TBC	-
NHS / Nliah	TBC	-
Peacocks	TBC	-