

WAITAKERE CITY COUNCIL



**AGENDA FOR AN ORDINARY MEETING OF THE PROJECTS SPECIAL COMMITTEE
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON WEDNESDAY, 7 APRIL 2004
COMMENCING AT 9.30 AM**

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1	APOLOGIES	1
2	URGENT BUSINESS	1
3	CONFIRMATION OF MINUTES	1
4	AQUATIC AND RECREATION CENTRE - STRATEGIC, FINANCIAL & BUSINESS PLAN	2

**AGENDA FOR AN ORDINARY MEETING OF THE PROJECTS SPECIAL COMMITTEE
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,
WAITAKERE CITY, ON WEDNESDAY, 7 APRIL 2004
COMMENCING AT 9.30 AM**

1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) and (7A) of the Local Government Official Information Act and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the item is a minor matter; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting; and
- (iii) the Committee resolves to deal with the item.

No resolution, decision, or recommendation may be made in respect of the item except to refer the item to a subsequent meeting for further discussion.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFIRMATION OF MINUTES

Ordinary - Wednesday, 3 March 2004

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Projects Special Committee held on Wednesday, 3 March 2004, as circulated, be taken as read and now be confirmed.



4 **AQUATIC AND RECREATION CENTRE - STRATEGIC, FINANCIAL & BUSINESS PLAN**

PURPOSE OF THE REPORT

The purpose of this report is to present to the Project Special Committee the draft Strategic, Financial & Business Plan for the Aquatic & Recreation Centre.

BACKGROUND

The 'West Wave' Aquatic & Recreation Centre has been developed around the original competition pool and diving facility that was built for the 1990 Commonwealth Games. A major upgrade of the Aquatic Centre, completed in 2002, resulted in the addition of a number of new facilities including a leisure pool and hydroslide, a modern fitness centre, hydrotherapy pool, swim school, café and shop.

As a result of this investment, West Wave is now a modern aquatic leisure facility that provides for a comprehensive range of active and passive leisure activities.

The Centre has endured a somewhat turbulent time since the redevelopment. A chlorine gas incident, shortly after the new facilities were opened, led to the closure of the leisure pool for a substantial period of time. A second chlorine gas incident occurred shortly after the facility was re-opened, although this only resulted in the leisure pool being out of operation for a short period. Budget problems, staff issues, and leaks in the competition and dive pools have occurred since that time, and these have been well documented through the media.

STRATEGIC CONTEXT

The West Wave Aquatic & Recreation Centre contributes to the achievement of the Council's vision of developing strong communities, which is one of nine strategic platforms that have been established through the Long Term Council Community Plan.

The Council has stated its intention to develop the City as a renowned hub of social activity, arts, leisure, sports and recreation. These activities promote health, wellbeing and contentment and are highly valued by the community. A particular focus has been placed on developing appealing activities for young people, that are challenging yet safe. Development of the Aquatic & Recreation Centre is one of the key initiatives that the Council has undertaken in order to deliver on this objective.

ISSUES

The legacy of the incidents of the last two years is that public confidence in the facility has, to a certain extent, been undermined. To combat this situation, management actions in recent months have been focused on rebuilding the trust and pride that the community has in the Centre.

A1-A32

In order to bring about a sustained improvement to operational performance, a draft Strategic, Financial and Business Plan has been developed for the Aquatic & Recreation Centre. A copy of the draft document is attached at pages A1 to A32.

The draft Plan includes an identification and analysis of the strengths, weaknesses, opportunities and threats that are present in the Centre and the environment in which it operates. This work has provided the basis for the development of strategies to improve the operational performance of the Centre. Of particular note in terms of opportunities, is the potential for growth of the Fitness Centre and Swim School. Both of these components of the overall operation have significant growth potential, and therefore can provide additional revenue to offset operating costs of the Centre.

The draft Plan attempts to clearly set out the key priorities that management is seeking in the operational performance of the Centre. These priorities are:

- Excellence in customer service;
- Health and safety is not negotiable;
- Prudent financial management.

In addition, management recognise that public confidence in the Aquatic & Recreation Centre can be compromised by recurring problems or incidents – particularly those that are reported through the media. For this reason, there is also a focus on eliminating avoidable incidents.

The draft Plan explores options for increasing revenue and reducing costs, where such outcomes can be achieved without compromising the strategic objectives that the Council has identified for the Aquatic & Recreation Centre. This approach has resulted in a number of proposed changes to the pricing structure of the Centre, together with the rationalisation of some poorly performing programmes.

A table setting out the proposed pricing structure is included in the draft Plan. Overall, it is considered that the proposed prices represent a fairer and more equitable means of cost recovery from users. The endorsement of the Committee is sought in relation to the revised pricing structure, prior to it being reported to the Finance and Operational Performance Committee for adoption.

Other initiatives that are being considered include the introduction of a revised management structure that would provide clearer accountabilities and additional capacity.

The Centre's marketing strategy has also been refined, to specifically target proposed growth markets. Marketing will continue to be a critically important tool for generating sustained patronage of the Centre.

A number of future management options have been considered, and discussed with staff and unions. The outcome is that the Centre will continue to be operated through in-house management, for at least the next six months. A review of performance will then be conducted at the completion of the trial period. The expectation is that, if the facility is performing well, it will continue to be managed in-house for the foreseeable future.

Staff and Union representatives have viewed the draft Strategic, Financial & Business Plan and will continue to be consulted as it moves through successive stages of refinement.

RESOURCES

Implementation of the draft Strategic, Financial & Business Plan can occur within the operational budget that has been established for the Aquatic & Recreation Centre. Any additional capital expenditure that may be required would be the subject of separate requests to Council.

CONCLUSION

A draft Strategic, Financial & Business Plan has been prepared for the Aquatic & Recreation Centre. The draft Plan provides for the introduction of a number of initiatives directed at improving customer service, exercising prudent financial management, ensuring the health and safety of both facility users and staff, and eliminating avoidable incidents that might reflect negatively on the reputation of the Centre.

The draft Plan is presented to the Committee for information, and for consideration of proposed changes to the pricing structure that is currently in place at the Centre. If adopted, the proposed price changes will assist the Centre to improve revenue. The proposed prices recognise the need to ensure that the activities and programmes that are delivered by the Centre remain affordable to the majority of members of the community.

RECOMMENDATIONS

1. That the Aquatic & Recreation Centre - Strategic, Financial & Business Plan report be received.
2. That it be recommended to the Finance and Operational Performance Committee that the revised pricing structure for the Aquatic & Recreation Centre, as set out in the draft Strategic, Financial & Business Plan, be adopted.

Report prepared by: Philip Brown, Group Manager: Planning & Community Services.

