

**KILMARNOCK LEISURE CENTRE TRUST
T/A THE GALLEON CENTRE
CHARITY NUMBER SC008314**

Business Plan 2016- 2018

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1. EXECUTIVE SUMMARY

1.1 The Company

The Kilmarnock Leisure Centre Trust (KLCT) trading as The Galleon Centre originated in 1985 as an unincorporated body with charitable status to develop and manage The Galleon Leisure Centre as a not for profit Trust.

The Deed of Trust is registered in the Registers of Scotland, Books of Council and Session, Minute of Agreement between East Ayrshire Council (by succession to Kilmarnock & Loudoun, and The Kilmarnock Leisure Centre Trust).

The purpose of the Trust shall be to provide a Leisure and Recreation Centre on a site owned by the District Council at Titchfield Street, Kilmarnock; to encourage the widest use of the recreation facilities provided, by residents within and visitors to East Ayrshire (East Ayrshire by succession to Kilmarnock & Loudoun District); to provide facilities for the development of sport including coaching and training, to ensure that young persons, the disabled and minority and underprivileged social groups have access to the facilities on reasonable terms and otherwise promote leisure and recreational activities within the District of East Ayrshire.

The KLCT is registered with the Office of the Scottish Charity Regulator (OSCR), charity number SC 008314.

1.2 Business Plan

This Business Plan is based on a two year confirmed revenue subsidy as follows; 2016/17 £188,000; 2017/18 £188,000 and is centred around the core business, The Galleon Centre.

Inflation is selectively applied to specific budget heads over each of the next two years to ensure ongoing customer loyalty and to provide a stable base for future planning. The required increase in operational subsidy is required to meet the National Living Wage implications over these two years.

1.3 Business Objectives

The Galleon Centre will continue to explore developments and improvements to facilities on the basis that they are self financing or achievable with the help of partners in the public, voluntary or private sectors. Specific strategies have been identified to ensure the business objectives will be met. These will be reviewed regularly to ensure successful implementation and will involve improvements to:

- Training and Development of all our staff
- Market overview
- Key Trends in the Industry
- Market share and forecasts
- Benchmarking, Internal and External

The Galleon Centre's commitment to Best Value and Continuous improvement will be demonstrated through:

- Visit Scotland, Visitors Attraction Quality Assurance Scheme
- Benchmarking (Internally and Externally)
- Improving Performance Indicators
- Business in the Community Bronze Award

The Centre will undergo a Best Value Review by East Ayrshire Council in 2016 and a possible integration with East Ayrshire Leisure Trust in the future short/long term to establish one single Trust for all of East Ayrshire.

1.4 Our People

A Training and Development Plan will be drafted each year based on the previous year's performance and success. The KLCT is a people orientated service and our staff are considered as key to its success and valued as a key strategic resource.

1.5 Marketing Plan

A Marketing Plan will be further developed for the marketing and promotion of our service and established a commitment to embracing the marketing concept through identifying customer needs, wants and requirements in conjunction with establishing long term relationships and equally important, customer satisfaction.

1.6 Performance Reporting

The respective cost centre departments analysis highlights individual performance comparisons with the previous years, benchmarked against past and future targets and trends.

The delivery of consistent high quality service is an important factor in ensuring the success of the business. The Galleon Centre will achieve this by developing facilities and reporting practices that reflect best industry standards and include:

- Progress reports on Statutory Performance Indicators (SPI's)
- Progress reports to the KLCT and East Ayrshire Council
- Customer Focus Reports
- Annual Report To Trust & OSCR
- Continuous in house Benchmarking

1.7 Asset Management

The property and contents of our facilities are key assets of the service. Responsibility for the maintenance and upkeep of the facilities lies with KLCT. A maintenance expenditure budget is agreed each year in conjunction with the Capital Investment Programme in the facilities. The Galleon Centre will provide a list of plant and equipment as well as any asset changes at the end of each financial year.

1.8 Financial Review

The level of funding required by the KLCT will be reviewed on an annual basis and agreed with EAC. However, a two year funding package has been agreed with East Ayrshire Council and is as follows.

2015/16	£146,000
2016/17	£188,000
2017/18	£188,000

Contained within the Best Value Revenue (BVR) there is a 5% reduced Operational Subsidy which will be based on the original £138,000 subsidy figure. However, we will wait on the outcome of the BVR meeting prior to changing our Revenue Estimates for 2017/18.

1.9 Financial Management

Financial performance reports are prepared monthly comparing the actual results on both income and expenditure against the planned budget for the same period. Variances are investigated and explained. Quarterly reports to the Board and EAC are provided for monitoring purposes.

Audited accounts are produced every year, which are contained in our Annual Report. These provide an overview of service development and performance information over the past twelve months.

Income growth is a key element in the success and development of our charging policies that maximise opportunities for growth and the following performance indicators are indicative of the previous years achievements:

	2013/14	2014/15	2015/16
Rate of recover	94%	92%	93%
Spend per head per user	£2.63	£2.71	£2.64
User per employee*	10,270	10,653	11,045
Staff costs as a % operational expenditure	57%	54%	55%
Subsidy per visit	£0.25p	£0.21p	£0.18p



1.10 Risk Register

Annual reports to the Board of Trustees are compiled to investigate the risks the business faces each year and operates the default traffic light system

1.11 Continuity Plan

The Kilmarnock Leisure Centre Trust T/A The Galleon Centre recognises the importance of a comprehensive set of contingency arrangements for making sure that we can whenever feasible deliver our critical functions in the event of an emergency and/or significant disruption.

This document sets out our approach at a board and management level to respond to an incident and the key activities both in receiving critical service delivery and our communities role in assisting in an emergency.

It identifies potential threats and impacts to business operations that those threats might create. It builds a framework for effective response that safeguards our customers, reputation and value creating services.

1.12 Reserves Policy

Trustees continue to monitor the charities requirements for reserves in light of the main risks to the organisation. General reserves carried forward from 2014/15 of £160,174 were increased by the over budget income generation of £19,823 to total reserves of £179,997.

The KLCT will continue with the strategy of continuing to increase reserves at every opportunity in the long and short term to build added security to meet the needs of the business. Reserves are required to meet any substantial drop in income in the Galleon Centres operation and to ensure that there is capital investment opportunities in the future as any capital funding received will not cover any loss of income in any department due to close down of the specific area to allow the capital work to progress.

It must also be borne in mind that the KLDC pays wages & salaries a fortnight in arrears.

2. BACKGROUND

2.1 The Organisation

- 1) The Kilmarnock Leisure Centre Trust T/A The Galleon Centre is an unincorporated body with charitable status to develop and manage The Galleon Leisure Centre as a not for profit Trust.
- 2) The KLCT is registered with the Office of the Scottish Charity Regulator (OSCR) and its charity number is SC 008314.
- 3) The company is operated as a non profit making organisation providing quality sports, leisure and customer services to the people of East Ayrshire (East Ayrshire by statutory succession of Kilmarnock and Loudoun District Council).
- 4) The KLCT having charitable status now benefits from 100% discounted rate relief and that certain charges made to the public are exempt from VAT.
- 5) The Trust was originally managed by 7 elected members of East Ayrshire Council. This was changed and extended in 2000/01 to comprise, 5 elected members of East Ayrshire Council and 4 prominent members from the local Sports Council and business community (2 x 2). This reflects a more open, accountable and independent approach to managing the Trusts interests in conjunction with the local authority.
- 6) KLCT will always ensure that those people with disabilities, people living in areas of economic and social disadvantage, young people, adults, mature people and the elderly will have the opportunity to a better quality of life and to help improve their health, self worth and confidence, equally important however is that the KLCT recognise that they are responsible for a business and expenditure must where possible be met from income targets set each year.
- 7) The KLCT is responsible for the operation and management of The Galleon Leisure Centre comprising:
 - A 25 metre free form swimming and recreational pool
 - Five lane Curling, Skating and Ice Hockey Rink
 - Six lane Indoor Carpet Bowling Rink
 - Two Sports Halls
 - A Sauna/Solarium and Steam Room
 - Excell's superb Fitness Suite
 - Two bar and catering outlets

Sports Development – This is an important strand of the business utilising Swimming Lessons for adults and children, at present some seven hundred children are enrolled on our own swim lesson programme. Specific sports targeted with these clubs that use the Galleon Centre are, bowling, curling, ice hockey, skating for predominately young people. In addition the Galleon Centre provides its own sports development programme to include swimming, skating, teenfit and trampoline. The General Manager is also Chair of the local Sports Council providing support and services to East Ayrshire Clubs and groups.

Community Recreation, this service encourages and monitors participation in active recreation for health purposes and enjoyment rather than concentrating on specific sports. The service operates a broad range of recreational pursuits such as aerobics, keep fit classes, aquatrim, aquanatal, body pump, spinning, kick aerobics, box-a-size, pilates, yoga, lets dance, young at heart. Specific sports classes include, badminton, netball, basketball, 5 a side, table tennis, squash, tai chi, that the public at large participate in.

Play Development provides a structures approach to the development of children's overall skills, interaction with peers and the development of an interest in regular physical activity. Activities include our crèche, pirates, turtles and shipmates programme each weekend and during school holidays.

In addition partnership with East Ayrshire Councils Leisure Development Department, the Galleon Centre hosts the Community Health Improvement Programme (CHIP) in the gym and swim pool. The recent Shout Card swim programme enhances all of the above.

The Galleon Centre will continue its partnership working with East Ayrshire Leisure Development Services to achieve increasing participation and improving performance.





The Galleon Centre has in the past and will continue in the future to invest in service development over the next three years to assist East Ayrshire Council meet key local and national priorities including East Ayrshire Community Plan and their Leisure and Cultural Strategy which is based on the National Priorities and Reaching Higher.

The KLCT believes in the outcomes of Reaching Higher “focusing on the promotion, delivery, playing and enjoying sport. Key to this is developing a culture where sport is valued for the pleasure and quality it brings to peoples lives and for the pride and recognition it brings to our nation. (Page 7 Reaching Higher).

3. MISSION STATEMENT

“Provide the highest quality service through continually improving and developing our service to our customers and staff.”

To work for the benefit of the community of East Ayrshire Council and make provision for the community to participate in sports, leisure and recreation services.

Key Objectives

The key objectives of the Kilmarnock Leisure Centre Trust are as follows:

- 1) Serve every customer with courtesy, effectiveness and efficiency ensuring they enjoy their visit and will return which will assist sustain and increase our current customer levels.
- 2) Develop the effectiveness of our workforce by recognising our staff are important to us, that they feel comfortable, valued and respected in an environment which encourages and rewards ideas, diversity, hard work, commitment so that they each feel proud to be part of this successful, forward thinking organisation.
- 3) Show innovation and creativity in our business arrangements in our effort to achieve break even position after revenue and investment issues have been addressed.
- 4) Reduce any impact we as a business may have on the environment by continually monitoring our use of gas, electricity and water.
- 5) Work in partnership with East Ayrshire Council Leisure Developments and other agencies highlighting the role that regular exercise plays in maintaining a healthy lifestyle.



4. HISTORICAL COMPANY PERFORMANCE

The Galleon Centre benchmarks internally and externally (Sports & Recreation Trust Association (SPORTA) to ensure financial stability. Income growth is a key element in the success and development of our charging policy that maximise opportunities for growth and investment. The previous five years performances are as follows. The last five years income v expenditure and for capital investment have been equally successful and the KLCT reserves now stand at £179,997 an increase of £39,834 over this five year period.

The continued capital investment programme is required to continue to maintain and improve our strong customers base and equally meet and better our competitors. However this expenditure has to be accounted for and variable increase of cost of facility use will be planned each financial year.

YEAR	EXPENDITURE	INCOME	(+/-)	RESERVES
2011/12	£2,132,962	£2,124,166	+£15,618	£140,163
2012/13	2,145,451	2,151,151	+£5,700	£145,863
*2013/14	£1,997,331	£1,930,881	+£64,950	£210,813
2014/15	£2,271,388	£2,220,749	-£50,639	£160,174
2015/16	£2,154,959	£2,174,783	+£19,823	£179,997

Ice Rink closed for Capital Investment and we received an energy rebate of which some of the rebate was reclaimed back in 2014/15.

	2011/12	2012/13	2013/14	2014/15	2015/16
Rate of Recovery	90%	90%	91%	94%	93%
Spend Per Head per user	£2.72	£2.33	£2.49	£2.63	£2.64
Staff Costs % of expenditure	51%	51%	52%	57%	55%
Subsidy per visit	£0.26	£0.24	£0.23	£0.25	£0.18

5. PROJECTED COMPANY PERFORMANCE

5.1 Budget Summary

The principal target for the KLCT will be to achieve break even position each year after revenue and investment issues have been addressed. KLCT will continue to rely on funding from East Ayrshire Council and the actual amounts will have to be agreed by consultation between both parties including recognition of the present difficult financial economic situation.

The revenue funding required for the next two years agreed by East Ayrshire Council is as follows:

2015/16 - £147,000 **2016/17 - £188,000 2017/18 - £188,000**

Price increases will be set in line with expected expenditure costs that the business will undoubtedly encounter of which wages/salaries and energy having the greatest impact.

The following two years projection after this financial year are outlined as possible budgets only, each year will change according to market forces, inflation and the economic situation at that time.

EXPENDITURE	ACTUAL	ACTUAL	BUDGET	BUDGET
	2014/15	2015/16	2016/17	2017/18
Employee Costs	£1,162,229	£1,177,210	£1,249,728	£1,310,879
Property Costs	£394,323	£382,039	£382,879	£375,656
Supplies & Services	£297,807	£313,889	£299,436	£302,928
Administration Costs	£98,018	£94,782	£108,583	£101,212
Marketing Costs	£25,473	£30,693	£27,803	£29,193
Bar/Vend/Cater	£92,194	£91,076	£92,737	£94,092
Debt Charges	£71,679	£65,279	£65,679	£65,679
TOTAL	£2,141,723	£2,154,959	£2,226,845	£2,279,639

INCOME	ACTUAL	ACTUAL	BUDGET	BUDGET
	2014/15	2015/16	2016/17	2017/18
Administration	£201,916	£194,433	£195,473	£197,428
Swimming Pool	£486,659	£503,954	£516,297	£531,786
Ice Rink	£167,777	£176,579	£177,994	£183,334
Bowling Hall	£58,256	£61,684	£65,409	£67,391
Health Suite	£806,106	£831,696	£842,698	£67,979
Dryside	£101,267	£104,114	£102,245	£105,312
Bar/Vend/Cater	£155,664	£156,220	£150,931	£156,968
E.A.C Grant	£167,000	£146,000	£188,000	£188,000
TOTAL	£2,144,645	£2,174,680	£2,239,047	£2,298,198
+/-	+£2,923	+£19,823	+£12,201	+£18,540

*Includes Election Income

The above Figures are based on the assumption that V.A.T where applicable is recoverable because of Trust status in agreement with Custom & Excise regulations.

Inflation in expenditure is varied across the board and on employee costs each year up to 2017/18 end. Varied inflation on other budgets especially those we cannot control i.e. Gas, Electricity, Water Rates and Insurance will apply.

Inflation in income was set at 3% in some departments and varied in others for year 2014/15. However this will be changed to a variable departmental rate as required over each year. This to ensure stability of our business in the remaining years 2016/2018.

The National Living Wage implications are built in for the two years 2016/17/18 by increased operational subsidy from £138,000 up to £188,000.

The above indicates continual growth and providing we can sustain our standard of facilities on offer, customer service, cleanliness, continued improvements and throughput, are achievable.

The Kilmarnock Leisure Trust T/A The Galleon centre will continue to maintain its financial reserves and to attempt to increase these to ensure business and employee continuity.



6. CAPITAL INVESTMENT

6.1 ASSETS, EQUIPMENT AND CAPITAL INVESTMENT

The property and contents of our facilities are a key component of our business as poorly maintained facilities would adversely affect our operation.

Self financing schemes allied to growth and customer service development will continue to be investigated and implemented where appropriate. The initial finance required in advance to fund the project(s) will be bank loan repayment scheme or leasing agreement with Lombard Direct, who presently offer "best value" in terms of repayment.

Additional resources outwith the agreed revenue and capital budgets will require separate funding arrangements on the grounds of priority and agreed on the grounds of imminent danger or likelihood of closure. This policy has stood the centre in good stead the past number of years.

Completed in the year 2012/13/14/15/16 are the following and some were based on financial savings generation which assists to pay for some of the others i.e. CHP unit will generate savings of £20,000 per annum.

2012/13

- Upgrade of Electrical circuits to fit in to 2nd phase of the Building Management System £45,000
- Renew lockers in the Gym male and female changing area £29,900
- Upgrade male and female dry changing rooms £10,095
- Install a Meter Monitor & Targeting System for our utilities £22,825
- New floor lining in main ground floor corridor £5,100
- 1 Automatic Pool Cover £10,000

2013/14

- Upgrade Ice Rink compressors and replace floor with Portable floor allowing better control £735,823

2014/15

- Repair some of the Car Park surface £9,000
- Upgrade Pool Inflatables £9,500
- Replace Sauna benches £1,600
- Roof Line Safety Equipment £5,000
- Airius installation to Pool/Bowls & Reception £20,000
- New Portable Sound System £4,000
- New Bar Furniture £4,000
- Replace Filter Media £7,000
- Replace Air Conditioning Units in Gym £7,200

2015/16

• Lease new Excells Equipment	£100,000
• Repair Car Park Surface	£24,000
• Replace Ener G Dump Radiator	£14,000
• New Car Park Barriers	£13,000
• New Switch Machines	£2,500
• Purchase new Excells Resistance Equipment	£10,000

7. ACTIONS TO ACHIEVE CENTRE OBJECTIVES/STRATEGY

Strategic actions to achieve objectives

Five strategic objectives maintain the focus for KLCT activities. This section gives an overview of these and the key actions we will undertake to achieve them are [outlined in section 12 of this plan.](#)

1) **Serve every customer with courtesy, effectiveness and efficiency ensuring they enjoy their visit and will return which will assist sustain and increase our current customer levels.**

1.1 Where key attendance and usage figures are recorded we will maintain the previous years actual.

(National trends will have to be taken into consideration)

Measurement will apply to:-

- Swimming Pool
- Indoor Bowling
- Health & Fitness
- Ice Rink
- Dryside including all Kids Clubs
- Partnerships with East Ayrshire Councils Projects
- Sports Development Services

1.2 Monitoring customer satisfaction levels

We will, through customer consultation, continually monitor our performance to ensure our customers are satisfied with the service we provide. We will continually strive to achieve excellent standards and are committed to provide a service which will meet their expectations on every visit.

1.3 Compliance to legislative requirements

Health and Safety Policies and procedures will be actively monitored and pursued working in partnership with Law at Work Health and Safety department. We will be assessed and monitored at least once every year and reported on. The profile of Health and Safety will be

increased through greater involvement of all staff in the development and implementation of safety procedures.

The Care Commission, Protecting Vulnerable Groups Scheme, the Data Protection Act and Social Services Scotland Commission all raise awareness of compliance and the need to monitor same. Their impact and that of other legislative requirements will be constantly reviewed and implemented.

Freedom of Information – Scotland Act 2002 (FOISA) The Kilmarnock Leisure Centre Trust T/A The Galleon Centre is now covered by the Freedom of Information – Scotland Act 2002, Extension of Coverage.

We are required to provide information covered under this act within 20 working days. This can be in the written form, or on audio tape version. If the person requesting the information has a disability, we will have to contact the Disability Rights Commission to seek their assistance in replying in the most appropriate manner. All of the information required is attached to our website www.galleoncentre.com and then click on Freedom of Information further details can be requested from the Administration Department.

1.4 Equitable Access for all

The KLCT will always ensure that people with disabilities, people living in areas of economic and social disadvantage, young people, adults, mature people and the elderly will have the opportunity to a better quality of life and to help improve their health, self worth and confidence.

We will continue to be involved in not only our own access schemes but also those of East Ayrshire councils CHIP projects and Shout Card etc.

1.5 We will work in partnership with Sportscotland to achieve the aims of Scotland's national strategy for sport.

All of our development activities of our service will remain consistent with the three key themes of "Sport 21 Shaping Scotland's Future" (widening opportunities, developing potential and achieving excellence).

2. **Develop the effectiveness of our workforce by recognising our staff are important to us, that they feel comfortable, valued and respected in an environment which encourages and rewards ideas, diversity, hard work and commitment so that they can feel proud to be part of this successful, forward thinking organisation.**

The KLCT will each year review our training policy to meet the needs of the business and to address the skill gaps of the workforce accredited in conjunction with Visitscotland's Visitors Attraction Scheme we will continually

ensure our service is externally verified and meets the requirements of Best Value.

Further development to our Employee of the Month/Year initiative and SHAW (Scotland's Health at Work) will all generate further recognition of the staff contributions in service delivery.

3. **Show innovation and creativity in our business arrangements in our effort to achieve break even position after revenue and investment issues have been addressed.**

Continuous review of how we operate and how we manage our assets efficiently and effectively will be a key component in our pursuit of Best Value.

Our success have been founded on customer loyalty and initiating the "our club" feeling. This strategy must be implemented throughout the facility.

Business segmentation (departments) indicates that 82% of Income and Expenditure derives from sports revenue. Clearly the most important to our market, justifying the marketing of the 5 main cost centres. This will continue for the foreseeable future until trends change. The other 18% derives from Administration and the Bar/Catering departments.

The KLCT will continue to maximise our income whilst ensuring service provision and accessibility for all.

4. **Reduce any impact we as a business may have on the environment by continually monitoring our use of Gas, Electricity and Water.**

We will continually strive to achieve energy efficiency savings as agreed in our Environmental Policy which will require Capital Investment to maximise these savings.

5. **Work in Partnership with East Ayrshire Vibrant Communities Department and other agencies highlighting the role that regular exercise plays in maintaining a healthy lifestyle.**

The Galleon Centre will work in partnership with all clubs to identify areas where it can assist them in their development work and further discuss with them appropriate time allocation. Clubs play an important role in the development of sport and sporting opportunity for all sectors of the community.

We will continually work in partnership with the Council's Sports Development Team in their effort to develop plans for Sports Development. Development of after School's Clubs will be undertaken to help meet the objectives of Sportscotland's Sport 21 strategy and we will work with the Council's Leisure Team and the local Sports Council to move this forward.

Other external initiatives include:

- Community Health Improvement Project (CHIP VAN)
- Truancy Initiative
- Allies (Homeless Organisation)
- Cardiac Rehab
- Chip, Hip and Knee Project
- Disabled Sports Club
- G.P. Referral

In addition to the above other external partnerships concerning development include:

- East Ayrshire Council
- Sportscotland & Scottish Sports Council
- East Ayrshire Sports Council
- West Institute of Sport
- Royal Caledonian Curling Club
- Skillsactive
- Sporta (Sports & Recreation Trust Association)
- Scottish Ice Rinks Association (SIRA)
- Swim Teachers Association (STA)



8. MARKET ANALYSIS

8.1 MARKETS AND PRODUCTS OF THE CENTRE

The Galleon centre is a multi purpose wet and dry leisure Centre providing leisure and recreation facilities to the people of East Ayrshire (East Ayrshire by statutory succession of Kilmarnock and Loudoun District Council).

The Centre is the largest leisure centre in the district and as well as providing facilities for swimming it also provides an ice rink, bowling hall, a superb fitness suite, two multi functional sports halls, 2 squash courts, a sauna and steam room and three bars including catering facilities accommodation private parties, meetings and seminars.

East Ayrshire has a total population of 119,740 based on information from the Scottish Office, with a core population in Kilmarnock of 43,588.

The Centre has an operational turnover of £2 million and employs over 152 staff (72 full time equivalent).

The Galleon Centre attracted an annual visitor throughput of

- 2013/14 - 759,950*
- 2014/15 - 788,392
- 2015/16 - 817,365

*Ice Rink closed for essential maintenance repair for nine months

8.2 MARKET SUMMARY

The Galleon Centre provides a valuable leisure and recreation experience for the population of East Ayrshire. It's diverse and varied programmes of leisure pursuits provide a source of recreation and simultaneously improves health and fitness levels of all participants. Increased self-confidence is just one of the many intangible benefits its programme offers.

There are 7 main cost centres for income generation but only 5 for marketing purposes and they are; swimming pool, ice rink, bowling hall, health suite and dry side. The other 2 contribute but are generally conditioned to secondary spend and they are administration and bars and catering. This is not to minimise their importance of the objectives but to indicate the overall marketing strategy of the Centre's main facilities as administration income is derived from all the others.

Marketing has been defined as 'A social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with other' and 'sound marketing is critical to the success of any organisation – large or small, for profit or non-profit, domestic or global'. (Kotler, P and Armstrong, G).

Philip Kotler also stated 'The marketing concept holds that the key to achieving organisational goals lies in determining the needs and wants of target markets and

delivering the desired satisfaction more efficiently and effectively than the competition'. (Kotler P).

To achieve this, the customer has to be satisfied with the product/service. The business has to be satisfied with the profit. Profit in this instance is 'highly satisfied' customers.

The present economic situation makes it more difficult to continue to increase market share during this very difficult time, however we will review period by period our attendance and income generation in each department.

This information and data includes a computerised booking system. Balance sheet information indicating income, expenditure, internal and external correspondence and special events.

8.3 STRATEGIC OPTIONS AND CHOICE

The Galleon centre will require to invest not only in the fabric of the building but also to invest in internal and external marketing. We have to date been successful in targeting specific markets i.e. the Health Suite membership, Private swim lessons and additional aerobic classes. In addition our very successful Family Night on a Saturday provides additional income and attendances to the Centre.

Our market is a consumer led market and would be termed a heterogeneous market, the way we try to satisfy these needs is to 'offer tailor made or bespoke products' (Dibb et al). In this our market penetration is working as indicated in our success within target markets of the Health Suite memberships.

This success has been founded on customer loyalty and initiating the 'our club' feeling. This strategy must be implemented throughout the facility.

The customer's attitude towards these products/services realises value for money in their eyes. The benefits sought from the purchase are acceptable.

Market segmentation indicates that 83% of Income derives from sports revenue. Clearly the most important to the market, justifying the marketing of the 5 main cost centres. This will continue for the foreseeable future until trends change. The other 17% income is from Administration and Bar & Catering. Previous years were:

	Sport & Leisure	Administration & Bar/Catering
15/16	83%	17%
14/15	83%	17%
13/14	82%	18%
12/13	81%	19%
11/12	79%	21%

Expenditure depends greatly on the income generation of each department but has fluctuated around 91% of total expenditure costs from income resulting in only 9% of our total expenditure deriving from East Ayrshire Council's operational subsidy. This

represents an excellent achievement in comparison to other Trust income/expenditure percentages.

9. HUMAN RESOURCE MANAGEMENT

9.1 The Kilmarnock Leisure Centre Trust T/A The Galleon Centre recognises that its employees are a key element in achieving corporate objectives and that training and development are essential components of business success.

People management is at the heart of our operational ethos. Our aim is “to promote the development, personal growth and motivation of our staff in partnership with the business objectives.

The management team provide advice and assistance to all staff throughout their time with the KLCT. This approach has been a major factor in the organisations past success and is providing a district competitive edge in our people management and includes:

- Recruitment and Selection Initiatives
- Structured Induction Process
- Training and Development Plan
- Equal Opportunities Promotion
- Workforce Planning and Flexibility Programme
- Flexible and Family Friendly working arrangements
- Employee Benefits
- Discipline and Grievance Procedures
- Health & Safety Procedures
- Fire & Emergency Procedures
- Power Failure Procedures
- Staff Manual (Including all our Policies and Procedures)
- Terrorists Threats/Bomb Warning Procedure
- Continuity Plan

Employee Benefits

In addition to providing a good working environment where staff feel happy, valued and satisfied, The Galleon Centre strive to encourage all employees to become involved in various initiatives aimed at making the workplace more fun, enjoyable and rewarding.

The centre will continue to review our human resources to reflect the ever changing business requirements. The last restructure in 2003 installed another tier of operational supervision to expand our growth and further development at a more significant level.

The following are initiatives already in situ, some of which have been put into practice as a result of employee suggestions:

- Health at Work
- Employee of the Month

- Employee of the Year
- Free access to Facilities for training purposes
- Discounted Meals

9.2 TRAINING AND DEVELOPMENT

The Galleon Centre recognises that its employees are a key element in achieving corporate objectives and that training and development are essential components of business success and ensuring continued employment for all its' staff.

The centres Training and Development plan clearly demonstrates the alignment between development activity and the achievement of business objectives. The comprehensive nature of the plan provides a sound means for directing future training activity, it not only includes detailed information on the direct and indirect cost of planned activities, it also identifies how the training will benefit the centre and the individuals concerned and also how the organisation evaluates the impact on performance following attendance.

All staff are encouraged to engage in development opportunities whether they are full, part time or casual. All have appraisals, are invited to team meetings, have a full induction, are eligible for Employee of the Month/Year awards and can benefit from access to training opportunities.

The Galleon Centres commitment and success in maintaining our continued success in Visitscotland, Visitor Attraction Scheme, Bronze Award Business in the Community all demonstrates and recognises the importance of continually developing staff skills.

The Training and Development Plan of the Galleon Centre clearly outlines how the skills and learning activities are measured and have undoubtedly created a positive impact on our business. The Training and Development Plan is central for the future of the workforces learning and development goals and the plans to continue to achieve them.

9.3 EMPLOYEE RESOURCES

Core staff levels for 2015/16 is approximately 159 made up from full, part time and casual employees and is as follows:

	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Full Time	39	36	41	35	31	38	41
Full Time Leavers	4	4	9	6	2	3	9
Part Time	54	48	45	42	43	46	47
Part Time Leavers	7	8	5	5	1	5	2
Casual	77	67	71	66	88	99	104
Casual Leavers	8	11	15	2	5	28	18
TOTAL EMPLOYED	170	151	157	143	162	183	192
TOTAL LEAVERS	19	23	29	13	8	36	29
	11%	15%	18%	9%	5%	20%	15%

Full Time Male	29	26	30	26	23	27	29
Full Time Female	10	10	11	9	8	11	12
Full Time Leavers Male	4	3	7	4	2	3	8
Full Time Leavers Female	0	1	2	2	0	0	1
TOTAL FULL TIME	39	36	41	35	31	38	41
TOTAL FULL TIME LEAVERS	4	4	9	6	2	3	9
	10%	11%	22%	17%	6%	8%	22%

Part Time Male	14	12	12	10	11	12	9
Part Time Female	40	36	33	32	32	34	38
Part Time Leavers Male	3	2	2	2	1	3	1
Part Time Leavers Female	4	6	3	3	0	2	1
TOTAL PART TIME	54	48	45	42	43	46	47
TOTAL PART TIME LEAVERS	7	8	5	5	1	5	2
	13%	17%	11%	12%	2%	11%	5%

Casual Male	37	27	31	27	33	39	41
Casual Female	40	40	40	39	55	60	63
Casual Leavers Male	5	4	8	2	3	12	10
Casual Leavers Female	3	7	7	0	2	16	8
TOTAL CASUAL	77	67	71	66	88	99	104
TOTAL CASUAL LEAVERS	8	11	15	2	5	28	18
	10%	16%	21%	3%	6%	29%	18%

These numbers change seasonally with additional casual and part time staff recruited during school holidays

10. PRINCIPAL RISKS

- The Galleon Centre is primarily grant aided by East Ayrshire Council on the basis of deficit funding each year. The present operation of the Centre is dependent upon support funding during the course of the business plan.
- Income generation and revenue costs contribute to the overall performance of the facility with marketing awareness ensuring current business is reviewed in view of targets and achievements at monthly intervals.
- The Galleon Centre will continue to explore developments and improvements to facilities but on the basis of self financing or through partnership with the public, private or voluntary sectors.
- Cashflow, regarding income generation and expenditure will be constantly monitored and accurately forecasted prior to commitment of capital expenditure.
- Current cashflow forecasts and financial accounts verify the realistic target achievements based on historical data and include contingency costs for capital investment agreed with East Ayrshire Council as per the Deed of Trust.
- Carefully prepared forecasts enable business loans and leasing scheme costs to highlight the centres ability to repay loan capital over a prescribed payback period.
- Overdraft arrangements are in place to combat any potential cash shortage and to enable any remedial action to be taken should shortages result.
- Trustees can apply to East Ayrshire Council for funding support in extreme circumstances for matters of major significant importance providing assurances to lenders of the necessity to fund revenue projects on the basis that the centre cannot otherwise survive.
- Capital Investment projects will continually be reviewed over the next 3/4 years and will require a variety of approaches and partners to successfully implement them. It must be recognised that a number of these projects will not be available to be grant funded as they are replacement of facilities or equipment already in situ.
- Given the business environment facing the centre with new competition annually, the strategy most applicable is one of sustained growth, based on a marketing strategy utilising change, excellent customer care and continued investment in each department.

11. POLICIES AND PROCEDURES

As expected a great variety of policies and procedures are required to operate a multi purpose wet and dry leisure complex like the Galleon centre and include;

- **Documented Operations Procedures**—to ensure consistent delivery of service
- **Safety Policy**—legislative requirements identifying key safety priorities and policies and industry best practice
- **Normal Operating Plan**—industry best practice to ensure consistent high quality, safe service delivery
- **Emergency Action Plan**—emergency contingency plans to industry standard
- **Best Value**—ensure effective and economic use of the resources deployed
- **Customer Forums**—ongoing customer liaison and interface
- **Performance Indicators**—established to review business and quality performance in key areas
- **Customer Response Forms**—to ensure all complaints are dealt with effectively and their resolution monitored
- **Child Protection Policies**—legislative requirements ensuring all children are safe from harm when in the Centre
- **Employment Policies**—comply with legislative requirements for all staff
- **Staff Manual**—conditions of employment, including policies and procedures, main terms and forms the basis of employment with the Trust

Discussions will take place with East Ayrshire Council to establish the criteria to be used to assess delivery of the service. The Galleon Centre will establish links with other similar organisations in the UK, Local Authority DSO's, Trusts and the private sector to establish data for comparative purposes.



ASSOCIATED DOCUMENT

- 1) Action Plan to achieve The Galleon Centre Objectives

ADMINGEN15/PLANS/BUSPLAN14
21.01.15