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Sent: Monday, 21 July 2014 12:27 PM
To: Michael Keeble
Subject: BUSINESS PLAN

Hi Michael

Listed below for your consideration is my proposal with regard to the development of a Business Plan as discussed at our recent meeting. I am mindful that this plan needs to be an ongoing and reviewable document and not just another plan. With that regard the plan needs to incorporate the expectations of the community at large and in particular the direct user groups.

Scope of the Business Plan

To include the following recreational areas:

1. The function and future of the Sport & Recreation Building
2. The use of the associated sporting grounds (Forrest Oval)
3. The function and future of the Swimming Pool facility.

I would envisage that the planning process will be over five stages as listed below:

Fact Find

This will include the following:

1. A review of any existing documentation that was prepared of a planning nature if applicable
2. A review of actual and forecast income and expenditure of all areas
3. A review of the asset register and life cycle expectations of all facilities
4. A review of any unfinished work of the Sport & Recreation Building and surrounds
5. A review of the ongoing maintenance requirements of all facilities
6. A review of the existing Shire 10 Year Plan/Budget

Consultation

1. A review of other Sport & Recreational Facilities and how they are operated
2. Consultation with other direct users of the facilities (sporting groups)
3. A review of the existing Shire Community Strategy
4. Consider issues such as competitive neutrality and the attitude of the business community.

Format Objectives & Expectations

Basically a summary of the desired objectives as per the fact find and consultation process

Format Performance Criteria

1. Review income capacity and variations of charges required
2. Review staffing and productivity
3. Set benchmarks for worst to best scenarios
4. Forecast income and expenditure for worst & best scenarios
5. Consider non-financial benefits of the facilities
6. Consider efficiencies with the use of the facilities
7. Recommend the facility use pricing model
8. Recommend consumables pricing model (bar and food)
9. Review the adequacy of reserves in regard to future capital expenditure

Set Strategies

1. Make recommendations with regard to a M.O.U with the direct users of the facilities
2. Set performance KPI's
3. Format a marketing strategy if required
4. Develop an Action Plan

Whilst this is a general overview it should give you an idea of how I would intend to proceed with the planning process. Normally I would report back to the client at the end of each milestone to get feedback before proceeding with the next milestone. Ordinarily I would do a job like this in my own time and would not get too worried by a fee for service. However some of the time would be spent in business hours and realistically I would have an opportunity cost associated with that time. On a commercial basis a job like this would incur a fee in the area of \$20,000, however as I have a vested interest in the outcome of the plan I would be happy to proceed with half the normal cost, which I would stress would be a maximum cost.

Look forward to your feedback.

Kind Regards,
Guy Lehmann



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