

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE -28 FEBRUARY 2001

GALLEON CENTRE - REVENUE GRANT 2001/02

Report by Director of Community Services

1. PURPOSE OF REPORT

- 1.1 To seek approval for a revenue grant to the Galleon Centre, Kilmarnock for the financial year 2001/02.

2. BACKGROUND

- 2.1 In previous years the Council has offered financial support to the Galleon Centre for both capital repayment and revenue subsidy purposes. In 2000/01 this funding amounted to £1,248,112.
- 2.2 The Council's obligations in terms of Capital repayment are now complete and for the coming year the Kilmarnock Leisure Centre Trust, the operators of the Galleon Centre are seeking funding from the Council of £200,000 to support the revenue costs of running the Galleon Centre.
- 2.3 Previous reports to this Committee have highlighted the excellent level of performance being achieved at the Galleon Centre particularly with regard to the cost of operating the Centre which is considerably lower than any similar facility in Scotland.

4. CONSIDERATIONS

- 4.1 Several changes in the relationship between the Council and the Kilmarnock Leisure Centre Trust are currently taking place these include:-
- i) The removal of the requirement on the Council to underwrite the Centre's revenue costs;
 - ii) The establishment of a more independent Trust with less direct input from the Council by involving the local business and sports communities;
 - iii) The Introduction of stand alone Financial Management systems and support.

4.2 In addition to the above issues the Centre must also retain its strong position in the local market by investing in maintenance and refurbishment works to keep the building in good, safe condition.

5. FINANCIAL CONSIDERATIONS

5.1 A sum of £200,000 is available in the Community Services Department budget for 2001/02 for support to the Galleon Centre.

6. LEGAL

6.1 Nil

7. POLICY

7.1 The award of this grant is in adherence with the Council's Leisure Strategy.

8. CONCLUSION

8.1 A revenue grant of £200,000 to the Galleon Centre reflects the importance of the Centre to Leisure provision in East Ayrshire and takes into account the significant changes being made to the relationship between the Council and the Kilmarnock Leisure Centre Trust. In addition, if approved by this committee a capital grant of £150,000 will be awarded in the financial year 2001/2002 for the upgrading of the facility.

9. RECOMMENDATIONS

9.1 It is recommended that the Committee:-

- (i) approves a grant of £200,000 to the Kilmarnock Leisure Centre Trust for 2001/02;
- (ii) remits to the Director of Community Services to produce appropriate progress reports regarding the Galleon Centre during the year; and
- (iii) otherwise note the contents of the report.

William Stafford
Director of Community Services

JAG/SAM

13th February 2001

LIST OF BACKGROUND PAPERS

1. Report to Community Services Committee 7th February 2001 - Galleon Centre Marketing Testing and Progress

Any person wishing to inspect the background paper listed above should telephone John Griffiths, Head of Leisure Services, Ext 6264.

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AGENDA