

**ADVANCED SUBSIDIARY GCE  
LEISURE STUDIES**

Unit 3: Leisure Industry Practice

**CASE STUDY**

**FRIDAY 11 JANUARY 2008**

**G182/CS**

Morning

Time: 1 hour 30 minutes



**INFORMATION FOR CANDIDATES**

- This is a clean copy of the Case Study which you should already have seen.
- You should refer to it when answering the examination questions which are printed in a separate booklet.
- You may **not** take your previous copy of the case study into the examination.
- You may **not** take notes into the examination.

This document consists of **4** printed pages.

## Central Leisure Centre (CLC)

*Central Leisure Centre (CLC)* is located in Wayford city centre. *CLC* is one of a range of eight publicly run leisure facilities operated by Wayford City Council. All of the centres are branded using the same logo throughout the city.

*CLC* was built in the late 1970s in a space that had been intended for a different purpose. Therefore, much of *CLC* is unusual in shape and is difficult to get around. *CLC* is located on the first floor of a shopping centre, with access from outside via a lift or a staircase. There is limited parking due to the city centre location and the large amount of pedestrianisation which has taken place in the shopping area in which *CLC* is located. 5

Within the city of Wayford there are a number of other providers of leisure facilities, but with the exception of those owned by Wayford Council, these are in the main smaller privately owned facilities. 10

*CLC* has a wide range of facilities and services on offer to its customers. In the last year, however, it has seen a substantial increase in competition. *CLC* is open seven days a week – from 06.00 to 22.00 Monday to Friday and from 09.00 to 20.00 at weekends.

The main users of *CLC* are people working within the city centre. The peak usage times are, therefore, before work, lunchtime and after work. Unlike the regular pattern in leisure centre usage, there is limited use at weekends. 15

*CLC* is a multi-purpose leisure centre, which provides the following core facilities:

- sports hall;
  - gym;
  - climbing wall (opened in the last six months);
  - fitness and dance studios;
  - squash courts;
  - soft play areas.
- 20

There is no provision for swimming at *CLC*, as this is provided by one of the other eight City Council facilities. Of late, *CLC* has entered into a public private partnership and has redeveloped its fitness suite in conjunction with Contours – a private provider. 25

One unique selling point of *CLC* is its climbing wall which has been opened in the last six months. It is the only leisure facility in the region that provides climbing opportunities of this standard. A well-known outdoor equipment manufacturer sponsors the climbing wall. Prior to opening the new climbing wall, *CLC* had to undertake all of the usual safety checks and risk assessments and will continue to do so during its use. 30

The City Council is very much in favour of leisure and has always invested heavily in the leisure provision within the city. However, at present the Council is in a state of financial instability. It predicts there will be less money to invest in leisure in the future. The surrounding residential area is also in the process of having its council tax reviewed and it is expected that most households will see an increase in their council tax bill. 35

*CLC* employs a range of full-time, part-time and casual staff and prides itself on the levels of service it provides for both internal and external customers. It has a very low level of staff turnover. In order to ensure the staff provide the best service possible, *CLC* uses a range of quality standards within the organisation. Wayford Council is proud to hold quality marks and values these greatly. It actively works towards achieving quality marks in all eight of its leisure facilities. 40

Although *CLC* has recently benefited from redevelopment, there remain areas in need of attention such as the business systems supporting the centre which are a mixture of paper and computer-based systems operating with various degrees of success. 45

*CLC* will take payment for use of its facilities in a variety of formats and is currently using a traditional till. *CLC* is looking at replacing this system with one which would be able to provide much more detailed information. Stock control within *CLC* is also an issue and at present is maintained on a paper-based system. In some areas of *CLC* such as the bar and café area there is limited storage for stock. 50

*CLC* requires all members to swipe their cards to access the centre. This allows *CLC* to record details of which customers are using the facilities and when. The data collected is matched up to their customer profiles and used for decision-making by management.

*CLC* is active in monitoring its progress and success in all areas and uses tools such as SWOT and PEST analysis, which allow management to make appropriate decisions about the future. 55

The management of *CLC* has recently completed a SWOT analysis to aid the development of its marketing strategy (see Fig. 1).

**Extract from *CLC*'s SWOT analysis**

<p><b>Strengths</b></p> <ol style="list-style-type: none"> <li>1. Low staff turnover</li> <li>2. City centre location</li> <li>3. ....</li> </ol>	<p><b>Weaknesses</b></p> <ol style="list-style-type: none"> <li>1. Physical structure of the centre</li> <li>2. Lack of car parking</li> <li>3. ....</li> </ol>
<p><b>Opportunities</b></p> <ol style="list-style-type: none"> <li>1. Climbing wall</li> <li>2. New IT systems</li> <li>3. ....</li> </ol>	<p><b>Threats</b></p> <ol style="list-style-type: none"> <li>1. Finance</li> <li>2. Competition</li> <li>3. ....</li> </ol>

**Fig. 1**

*CLC* uses a variety of financial documents such as cash flow forecasts, profit and loss accounts and balance sheets to aid financial planning. Fig. 2 shows the template of the main headings used by *CLC* when drawing up its cash flow forecast. 60

Template used to draw up *CLC's* cash flow forecast

	Jan–Feb	Mar–Apr	May–Jun	Jul–Aug	Sep–Oct	Nov–Dec
<b>Income</b>						
Membership revenue						
Café revenue						
Bar revenue						
Non membership revenue						
Sponsorship						
Other						
<b>Total Revenue</b>						
<b>Expenditure</b>						
Wages/salaries						
Heat/light						
Rent/rate/insurance						
Marketing						
Consumables						
General expenses						
<b>Total Expenditure</b>						
<b>Net Cash Flow</b>						
<b>Opening Cash Balance</b>						
<b>Closing Cash Balance</b>						

Fig. 2

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (OCR) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

OCR is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.