

Sefton Council 

SEFTON HOSPITALITY OPERATIONS LIMITED

Business Plan



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Executive Summary

This plan sets out the key objectives and strategy, and a summary of the business plan, for the future success of SHOL (Sefton Hospitality Operations Limited); focussing on the financial years 2022-23 to 2024-25. It discusses some short-term ventures that support the launch of the business, as well as mitigating the impact of delays on the Crosby Lakeside Adventure Centre (CLAC) project.. Longer term goals are discussed and form an integral part of not only the financial success of SHOL but the success of SHOL in delivering on it's mission and values. SHOL will initially look to use green spaces and coastal locations to build brands and consistency within the business, with the longer-term aim of rolling these out in to urban and residential areas. As SHOL grows the business will further diversify and develop different revenue streams including, but not limited to, Large Scale Events, Outside Catering, Training, Equipment Hire, Retail, Office/Co-Work Spaces and Consultancy.

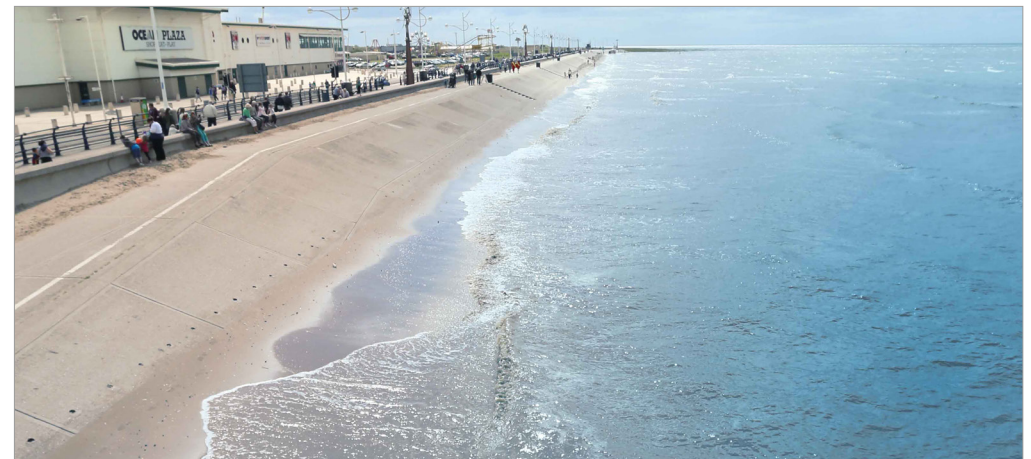
The responsibility to shareholder (SMBC) in both qualitative and quantitative terms is clear. The financial performance for the next four years is forecast below, and SHOL is committed to achieving these results alongside contributing to the shareholder objectives outlined in Sefton's 2030 vision.



The attraction and retention of talent is a key risk and challenge for SHOL, as for the industry as a whole; central to business strategy will be its differentiation as an employer of choice. This plan discusses creation of pathways for training and development within the business for benefit to both the company and the shareholder, offering career opportunities in a diverse sector.

SHOL will ensure that it constantly seeks to be at the forefront of innovation and delivery of new products, technology, and training within the industry by pro-actively engaging with our peers, competitors, and experts.

In line with the Council's Full Business Case (FBC) for the CLAC project, published in February 2021, SHOL will provide circa £250,000 benefit to the shareholder per annum, by way of the subsidy being removed and other measures. Despite delays to the CLAC project, the objectives of that FBC remain unaltered, although this plan relates to the whole SHOL business, not just CLAC.



Business Description

SHOL is a private company set up to create and operate hospitality outlets offering exciting, diverse, and accessible options for their customers. From hotels through to bars and restaurants, as well as outside catering, food delivery and events SHOL aims to provide unique experiences for both its guests and employees. Through dynamic and modern approaches to the journeys of these two key groups SHOL aims to become the hospitality business of choice first in Sefton, then the wider Liverpool City Region.



Vision, mission and values

Mission

To provide exceptional customer experiences and great facilities; meeting the needs of local people, visitors and businesses, and contributing positively to Place Shaping in Sefton; all whilst remaining a commercially viable business.

Values

People first

work as a team, invest in our team, reward our team, and promote integrity at all levels so our team are enthusiastic, proud and committed, enjoying their work in delivering great hospitality experiences to our customers.

Sustainable

Economically, environmentally and socially.

Passionate

Strive to do our best, have fun, and to go the extra mile for ourselves, our colleagues, our customers, and our shareholder.

Inclusive

We are accessible, considerate, and pro-active in creating diversity and inclusion within our venues and workforce

Ambitious

We want to grow, learn, achieve and innovate across the whole business.

Vision

Operate a profitable business that is the employer of choice for candidates in the Hospitality industry. Invest in people as well as assets, resulting in high performing and diverse teams that can deliver memorable, high quality experiences for customers, communities, visitors and shareholders within accessible, welcoming facilities. This will be achieved through engaging recruitment and training, extensive professional development, high quality products and innovative technology.

Goals and Objectives

- a) To run profitable hospitality venues in order to help deliver the Council's strategic vision and ambitions as set out within the Sefton Vision 2030.
- b) To implement a hospitality operating model which will provide a revenue neutral or revenue surplus position for the Council.
- c) To run sustainable and inviting venues that enable the Council to be seen to directly contribute to an improved and sustainable visitor offer for Crosby Coastal area in accordance with the Sefton Coast Plan 2017 and at other sites across the borough.
- d) To provide long-term benefits for the health and wellbeing of the local community and visitors to the Sefton Coast and Sefton as a whole.



Key Challenges and Opportunities

	Challenge / Risk	Opportunity / Mitigation
<p>Recruitment</p>	<p>In the context of the continued impacts of the COVID-19 pandemic, as well as of exiting the European Union, the attraction and retention of talent is a major challenge for the hospitality sector nationwide, and this will include Sefton and this business.</p>	<p>SHOL Academy</p> <p>A key part of SHOL’s strategy will be to offer clear training and career pathways for those joining the company.</p> <p>We plan to engage with training providers such as Hugh Baird or Southport College, alongside industry partners to create a program of training and experience that will ensure we are not only investing in our people but also providing financial benefits to the business as a result. A key deliverable of this initiative is the company’s objective to have 80% of our management positions promoted from within by Year 3.</p> <p>Alongside this program SHOL has engaged several council departments to discuss providing interview opportunities to groups that may have previously faced barriers to employment (NEET, YOT, Care Leavers, BAME). It is expected that most of the content would be delivered via the college or private providers with SHOL covering the work experience and practical elements. Long term SHOL would like to become an accredited training provider which could provide a further revenue stream as well as enhance our offer as the local employer of choice.</p>



Key Challenges and Opportunities

	Challenge / Risk	Opportunity / Mitigation
<p>Delays to the Crosby Lakeside Adventure Centre project</p>	<p>Due to factors outside the control of the company or the Council, the intended opening of the venue has been delayed, which impacts the intended strategy and business plan for the company.</p>	<p>The Council (our shareholder) has developed and implemented contingency plans for progression of the project.</p> <p>The company's own contingency plans include a range of early opportunities, in line with this strategy and business plan, such as taking on a concession stall at Southport Market, providing services at Bootle Canalside and a number of other potential concessions.</p> <p>These plans will provide early income for SHOL and allow the business to begin recruitment and start building relationships in the local area and across the industry.</p> <p>Currently SHOL has mitigated the lack of income from CLAC by deferring costs, for example delaying recruitment and services that would be associated with the start of the business.</p>





Key Challenges and Opportunities

	Challenge / Risk	Opportunity / Mitigation
<p>Brand</p>	<p>It will be vital to establish a distinct brand for the company and its offerings that are differentiated in what remains a competitive environment.</p>	<p>It is vital that SHOL makes an immediate positive impact regarding the offer available at venues, the customer service, the type of events and the level of engagement. SHOL will be very present on social media and online as well as utilizing classic marketing such as print and face to face.</p> <p>SHOL will encourage feedback and will actively engage with both positive and negative to ensure we have a voice and our users and staff feel listened to.</p> <p>A huge part of SHOL's performance measurement will centre around staff quality of life scores and customer scores and reviews. These will be valued alongside financial performance. Our core belief is that they go hand in hand.</p>



Action Plan

Southport Market

SHOL will be taking a lease from Sefton Council for a unit at Southport Market to provide desserts to visitors of the market. This will be the first venture for SHOL and provides a great opportunity to employ our first team members, generate some revenue, and test out some menu and branding ideas ahead of future ventures. As discussed in this plan the business hopes to create several brands that can be duplicated at key locations; desserts forms an important part of this strategy.

Mobile and Semi-Permanent sites

SHOL is committed to engaging with Sefton Council regarding opportunities for concessions and other collaborations. These will require low capital investment from the company, but align with the council’s vision for the borough as well as the objectives of the company. These collaborations could include, but are not limited to, concessions, large scale events, and wider council projects across its Growth and Strategic Investment Programme.

The company aims to both improve the offer at key strategic locations, from a health and wellbeing perspective, as well as financially for the company and for the council.

A brief overview would be the following three target areas:

1	2	3
Existing concessions (subject to tender opportunities) in parks, sports fields and coast areas	New and additional sites for such units (e.g. Crosby Coastal Park / Promenade)	Large scale events, both existing and new

SHOL would look to create 1 or 2 “brands” that would be recognisable at each area and build trust. The long-term idea would be that these brands could be expanded to urban units and/or be placed within any future large projects.



Bootle Canalside

SHOL is keen to be part of Sefton Council's Bootle Canalside development, whether that may be as main operator of the site on behalf of SMBC, or as a tenant alongside other ventures. Bootle and the immediate surrounding area hold a lot of potential when taking in to account other plans for the area. SHOL would hope to operate several units in Canalside, yielding high profits as well as directly employing upwards of 10 people on this site alone.



Recruitment/Academy

SHOL has begun discussions with training providers and industry experts. We believe this area to be absolutely key to the early and long term success of the business. We will aim to attract 80% of our employees from Sefton or the wider LCR. It is predicted that by providing industry leading training, development and terms and conditions the business can hope to have over 80% of management positions filled internally by year 3. Reputationally this would be massive as well as providing key savings in recruitment costs.

As the business grows the academy would allow us to retain staff for longer which would in turn enhance the culture of the company and improve staff quality of life. This would subsequently enhance profit. A longer term objective would be to become a training hub and offer consultancy/training services to start-ups and smaller companies.

Products and Services

Product and Service Description

We have worked closely with our marketing agency; Essential Studio to create a persona for our first venue that would hope to adapt/replicate as we grow.

What we are – A company creating exciting spaces in the community, for the community; inspired social hubs that are clear and coherent. We do not overcommit to a theme that might exclude or discourage guests. We are clear in vision and easy-to-understand. We are inspired and inspiring, but with mass appeal

Who we are - We love all, serve all. One for the masses, not the few. Reliable. Quality. Vibrant. Chilled-out. Welcoming. Spaces for you to feel at ease and at home.

We are a concept inspired by the surrounding landscape and activity.

We are stripped back and sympathetic to our environment, with a responsible, kind and friendly attitude.

We will also create many events throughout the year that will use local suppliers, create more jobs, build our reputation and be very profitable. This program of “internal” events will provide us with maximum benefit as opposed to the letting of our spaces to “external” companies. The events side of the business is something SHOL would hope to build up; providing infinite opportunities as the company grows.



Financial Summary

In line with the Council's Full Business Case (FBC) for the CLAC project, published in February 2021, SHOL will provide circa £250,000 benefit to the shareholder per annum, by way of the subsidy being removed and other measures. Despite delays to the CLAC project, the objectives of that FBC remain unaltered, although this plan relates to the whole SHOL business, not just CLAC.

Projected Profit and Loss

Forecast	21-22	22-23	23-24	24-25
Net Profit / Loss (-)	-£178,350	-£138,200	£2,100	£164,100



