

# TRUST BOARD MEETING



**Date: 18 September 2018**

**Location: Reception Room, Grand Hall**

**Start time: 6.30pm or immediately after the conclusion of the AGM**

<b>AGENDA</b>			
<b>AGENDA ITEM</b>	<b>FOR NOTING</b>	<b>FOR DISCUSSION</b>	<b>FOR APPROVAL/ DECISION</b>
<b>1. Appointment of office bearers and Trustees</b>			✓
<b>2. Apologies for Absence / Introductions</b>	✓		
<b>3. Declarations of Interest</b>	✓		
<b>4. Minutes of previous meetings</b> 4.1 Board Meeting: 5 June 2018 4.2 Performance & Audit Sub Committee: 20 August 2018			✓ ✓
<b>5. Performance Report April – June 2018</b>			✓
<b>6. Risk Management Policy</b>			✓
<b>7. Scotland Charter for a Tobacco Free Generation</b>			✓
<b>8. Cultural Services Review – Community Halls Update</b> This is a restricted document and not for onward circulation			✓
<b>9. Illuminight 2018</b> This is a restricted document and not for onward circulation	✓		
<b>10. Severance Report</b> This is a restricted document and not for onward circulation			✓
<b>11. AOCB</b>			
<b>12. Dates of Next Meetings:</b> <b>Development Session:</b> 23 October 2018 <b>Performance &amp; Audit Sub-Committee:</b> 12 November 2018 <b>Trust Board Meeting:</b> 27 November 2018			

For further information please contact: John Griffiths, Chief Executive

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# REPORT TO BOARD OF TRUSTEES



## PERFORMANCE REPORT APRIL TO JUNE 2018

Date: 18 September 2018

Agenda Item: 5

Report by: John Griffiths, Chief Executive

### Summary

This report provides details of the Trust's performance for the period April to June 2018, the first quarter of the 2018/19 financial year. The report projects a breakeven financial position and highlights a wide range of initiatives being undertaken to promote and develop usage of facilities and services.

## I PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Trustees with a detailed analysis of Trust performance across a range of headings previously agreed by the Board.

## 2 BACKGROUND

- 2.1 The Trust's performance reporting procedures are now well established and are regularly reviewed and updated. The Performance Scorecard has been updated and included in this report. The Risk Register is also included with no updates proposed at this time.
- 2.2 A statement of the opening annual budget for 2018/19 is included in the finance section of the report. This statement, which details the year's budget after savings targets have been agreed, is submitted for approval in line with the recommendations of the recent Internal Audit Report into Trust governance which features elsewhere on this Agenda.
- 2.3 The Performance Report April to June 2018 was considered and approved by the Performance and Audit Sub-Committee at its meeting on 20 August 2018.

## 3 RESULTS

### 3.1 BUSINESS PLAN

The report highlights significant progress towards achieving the goals and targets of the 2016-19 Business Plan. A wide range of programming and marketing activities have been implemented during the quarter with the aim of generating income and/or attendances.

### 3.2 FINANCE

A breakeven position is projected in the report. This assessment is based on full achievement of income targets in Sport and Fitness, full compensation for lost income during the extended partial closure of Annanhill Golf Course being paid to the Trust, and a satisfactory solution to the issues surrounding income from bookings at some schools being implemented. These issues are highlighted in the report.

# REPORT TO BOARD OF TRUSTEES



## Recommendation/s:

It is recommended that the Board:

- i. Consider and approve the Performance Report for April to June 2018;
- ii. Approve the Annual Budget for 2018/19 shown in the report; and
- iii. Otherwise note the content of this report.

Signature:

A handwritten signature in black ink, appearing to be "J. Allan".

Designation: Chief Executive

Date: 21 August 2018

# **East Ayrshire Leisure Performs**

## **April - June 2018**



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# PROGRESS AGAINST 2016-19 ACTION PLAN

**Key:** RED (REQUIRES INTERVENTION) AMBER (WITHIN TOLERANCE) GREEN (POSITIVE PERFORMANCE)

**STRATEGIC OBJECTIVE ONE – TO BE RECOGNISED AS A PROVIDER OF HIGH QUALITY SERVICES AND FACILITIES THAT ARE WELL USED**

ACTION NO	ACTION	TARGET	PROGRESS OVERVIEW/HIGHLIGHTS AT APRIL – JUNE 2018
EAST AYRSHIRE LEISURE 1.1	Increase Customer Satisfaction levels	Show annual customer satisfaction improvements each year of Business Plan	<ul style="list-style-type: none"> <li>Programme in place for Mystery Shopping to be carried out – administered by VisitScotland, and reflecting the accreditation scheme; progress against Action Plan is monitored quarterly</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE 1.2	Increase attendance levels/ticket sales through programme development both in person and online.	<p>Increase levels of attendance/ticket sales by 5% over the term of the business plan. This is no longer achievable given the significant savings and changes to service that have been made and will continue to be made until end of three year Business Plan period. 2018/19 target figures are based on a review of 2017/18 figures for each venue with an average increase of 2% across Sport and Culture service areas. Due to closures at both Annanhill and Dean Castle Country Park during the Business Plan period, Countryside and Outdoor Activities projections are based on a venue by venue basis.</p> <p>Continue to invest in programme development.</p>	<ul style="list-style-type: none"> <li>Overall attendance levels within Countryside and Outdoor Activities has shown an increase of 10% against profiled targets (Target = 394306, Actual = 434235).</li> <li>Dean Castle Country Park is fully open again and has benefitted from the fine spring weather and is exceeding the attendance targets set for the year by 8%. The River Ayr Way has shown a slight decrease from target of nearly 3%.</li> <li>Due to the ongoing works at Annanhill Golf Course, there has been a significant decline in season ticket and daily round figures. The contractor was scheduled to be finished all works on the golf course in March 2018, but is now scheduled to be complete by the end of July 2018. This will impact on the entire season as much of the site will remain under repair for the full year.</li> <li>The Ayrshire Athletics Arena has had an excellent quarter 1, with an increase of over 50% on the target for the period. During this period, we hosted a number of large events including Roon the Toon and the West Districts Athletics Championships.</li> <li>Spring holiday programme was fully booked and the Spring Rural Life Celebration attracted over 3,000 people to the Country Park over the Easter weekend.</li> <li>Cultural Services - Performance Q1 increases by 4% on revised target (Target 122,756 and Actual 127,801). This is due to the programming strategies that</li> </ul>

			<p>were implemented some of which are highlighted below:</p> <ul style="list-style-type: none"> <li>• Programme highlights include Bricktropolis which has proven to be very popular and has attracted strong visitor numbers. In addition £6K sponsorship was raised to support exhibition from South West Consortium companies. Dean Castle collections also moved to the Dick Institute and are now on display. Approximately 85% of the collections have now been moved and this starts the planned programme, linked to the Dean Castle project. Generation Z was also launched at the Dick Institute in June and attracted large crowds of young people. This was followed by Magic at the Museum workshops. As with previous years we also supported the Mauchline Holy Fair with open access to Burns House Museum. We continue to offer a wonderful programme of learning across our arts and museums with DO Art @ the DI regularly selling out and our ever popular 'Explorers' programme.</li> <li>• Across our libraries we continue to promote our Love Your Library campaign, which was rolled out across targeted libraries and also our mobiles. This has helped to increase the profile of the libraries and also encourage new memberships. Bookbug and special sessions like our 'Step back In Time' programme continues to reach out and attract new audiences/users.</li> <li>• Our Performing Arts Venues provide high profile events and highlights include the Ed Byrne, Little Mix show and a range of children/youngpeople friendly shows. EAYT also produced the fantastic Wizard of Oz. In Cumnock we hosted a range of shows that have all be well received including local band night and the re-introduction of tea dances. The highlight was the production of Slumber Sisters by the National Theatre of Scotland and Catherine Wheels which played to schools audiences.</li> <li>• Future Museum continued to perform well in QI with a 25% increase on target. Increase is due to development work around Burns and Dean Castle and new content being generated.</li> <li>• eastayrshireleisure.com sessions are currently below target, however social media figures are continuing to rise and posts are performing well with good engagement.</li> <li>• Sport &amp; Fitness QI attendance projection achieved. (Target = 157930, Actual = 158101)</li> </ul>
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			<ul style="list-style-type: none"> <li>Ongoing development and implementation of Sport and Fitness core activities and programmes for Badminton, Fitness, Football and Swimming for children, young people and adults delivered across facility remit.</li> <li>Fitness Memberships sales are up 35% in Q1 compared to the same period last year</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p>An overall increase of 7% has been achieved against revised quarter 1 targets (Target = 674,992 Actual = 720,137).</p>
EAST AYRSHIRE LEISURE 1.3	Achieve new quality standards and/or maintain current Accreditation standards	<b>Visit Scotland:</b> 4 star: Dick Institute 4 star: Baird Institute 4/5 star: Dean Castle and Country Park 4 star: Burns House Museum 4 star: Palace and Grand Hall Complex 4 star: Ayrshire Athletics Arena	No change
		<b>Arts Council England Museum Accreditation:</b> Dean Castle/Baird/Burns House/Dick Institute maintained.	No change
		<b>Collection Significance:</b> Musical Instrument/Burns Collections maintained.	No change
		<b>How Good Is Our Public Library Service:</b> 2016/17 – 1 indicator tested; 2017/18 – further 2 indicators tested; 2018/19 – further 2 indicators tested.	<ul style="list-style-type: none"> <li>Given changes to Library Service we are discussing suitable timeline for starting review in 2018/19 and possibly linking this with the How Good Is Our Culture and Sport Service emerging guidance from SPORTA.</li> </ul>
		<b>British Computer Society Accreditation: Maintain annual accreditation</b>	No change

		<b>UKA:</b> Maintain Certification at Ayrshire Athletics Arena	<ul style="list-style-type: none"> <li>UKA declared Ayrshire Athletics Arena is fit for competitions. UKA no longer carry out full accreditation programme.</li> </ul>
		<b>FIFA:</b> Certification of all Synthetic Grass Pitches	<ul style="list-style-type: none"> <li>Valid certification held for all S&amp;CV Synthetic Grass Pitches</li> </ul>
		Maintain status as <b>RLSS</b> Approved Training Centre	<ul style="list-style-type: none"> <li>East Ayrshire Leisure recognised as RLSS Approved Training Centre</li> </ul>
		Gain <b>Green Flag</b> award for Dean Castle Country Park and Annanhill Golf Course during life of Business Plan.	<ul style="list-style-type: none"> <li>Assessment scheduled for Dean Castle Country Park in January 2019</li> <li>Assessment scheduled for Annanhill Golf Course in 2019</li> </ul>
		UKactive: achieve membership criteria	<ul style="list-style-type: none"> <li>Ongoing dialogue with UKactive regarding full membership. Membership status to be achieved Q2 of 2018/2019.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE I.4	Maintain and sustain high level partnerships that support service delivery and improvement.	Maintain current partnership network.	<ul style="list-style-type: none"> <li>Stewarton Academy has received funding through the Princes Trust to work in partnership with Ayrshire College, Scottish Rural College and East Ayrshire Leisure to develop and offer a new SVQ level 4 qualification in Rural Skills. East Ayrshire Leisure will provide the training and work experience to 10 students from Stewarton Academy throughout the 18/19 academic session with Ayrshire College and SRUC carrying out the assessments.</li> <li>Work is ongoing with Annahill Golf Club to develop proposals to relaunch Annahill Golf Course in 2019 following the significant construction and drainage programme throughout 2017/18.</li> <li>Regular liaison meetings have been held with Kilmarnock Harriers and Scottish Athletics to re-establish the Ayrshire Athletics Partnership. This will be extended to include Ayr Seaforth and North Ayrshire Athletics Clubs.</li> <li>GENERATION Z was funded by EventScotland and designed and delivered alongside a group of six young people who have been working with us over the last six months.</li> </ul>

			<ul style="list-style-type: none"> <li>• Worked with CAMPS to support events at Cumnock Town Hall</li> <li>• Worked with Holy Fair committee to deliver Mauchline Holy Fair</li> <li>• Worked with Open Studios Ayrshire to launch their 2018 Open Studios weekend.</li> <li>• Worked with Ayrshire College in the delivery of their annual Art Graduates exhibition.</li> <li>• Worked with Museum Galleries Scotland to fund the Content Management System</li> <li>• Worked with Scottish Book Trust for Live Literature, Bookbug and Book Week Scotland funding.</li> <li>• Continue to work with work coaches from EAC providing space/computers in libraries to help people back into work.</li> <li>• Continue to work with Revenues and Benefits Team and DWP as part of Universal Credit Working party – we provide access for work coaches and customers to access computers both outwith and within library opening hours.</li> <li>• Museums team worked with Cumnock History Group to deliver the Pennylands Camp 22 exhibition and workshop programme.</li> <li>• Ongoing work with key partners and sports groups/clubs to grow and develop the provision of sporting/physical activity opportunities and events under Sport and Fitness. Externally funded Community Sports Hubs Initiative and post has transferred to East Ayrshire Council with Sport and Fitness support role under EAC.</li> <li>• Continued work supporting 60 sports clubs across 6 Community Sports Hubs.</li> <li>• Partnership agreements through the Community Sport Hubs with the schools</li> </ul>
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			<p>on dual use sites has allowed for shared equipment to be accessed to support the Trust's Sports Coaching Programme.</p> <ul style="list-style-type: none"> <li>• Attendance at SPORTA Executive, HR and Finance meetings to develop relationships with other Trusts.</li> <li>• Ongoing work with Disclosure Scotland to ensure compliance with the Code of Practice.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE 1.5	Introduce a system to audit, monitor and improve environmental efficiency across our core facilities	Create annual improvement plan and work with East Ayrshire Council to ensure our venues/facilities meet our environmental objectives.	<ul style="list-style-type: none"> <li>• Funding has been secured through East Ayrshire Council to upgrade the heating controls within 3 key sites; Palace Theatre, Grand Hall and Dick Institute. It is anticipated that the upgrades will reduce gas consumption, carbon emissions and costs. East Ayrshire Council are in the process of appointing a contractor.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>

**STRATEGIC OBJECTIVE TWO – TO ENHANCE PEOPLE'S HEALTH AND WELLBEING THROUGH PARTICIPATION**

ACTION NO	ACTION	TARGET	PROGRESS AT APRIL – JUNE 2018
EAST AYRSHIRE LEISURE 2.1	Increase general participation /attendance levels across service areas	Increase levels of attendance/ticket sales by 5% over the term of the business plan. This is no longer achievable given the significant savings and changes to service that have been made and will continue to be made until end of three year Business Plan period. 2018/19 target figures are based on a review of 2017/18 figures for each venue with an average increase of 2% across Sport and Culture service areas. Due to closures at both Annanhill and Dean Castle Country Park during the Business Plan period, Countryside and Outdoor Activities projections are based on a venue by venue basis.	<ul style="list-style-type: none"> <li>• Cultural Services - Performance Q1 increases by 4% on revised target (Target 122,756 and Actual 127,801). This is due to some of the programming strategies that were implemented some of which have been highlighted at 1.2 for Cultural performance.</li> <li>• Overall attendance levels within Countryside and Outdoor Activities has shown an increase of 10% against profiled targets (Target = 394306, Actual = 434235). Participation at events at the Ayrshire Athletics Arena and Dean Castle Country Park have been higher than anticipated with children's activities being fully booked.</li> <li>• A detailed engagement programme for the Castle and Dick Institute around the development works has now started.</li> <li>• 3656 children aged between 2-14 years attended the Sports Coaching programmes for Athletics, Badminton, Football, Gymnastics</li> <li>• Introduction of additional sessions for Rookie Lifeguard at Auchinleck Leisure Centre for those aged 8-12 to support pathway and popularity of programme in the local community.</li> <li>• 267 Gold membership attendances were recorded in Q1.</li> <li>• Revised fitness programme and the introduction of Les Mills classes at Stewarton Sports Centre as been popular, contributing to increased membership sales. Plans are now in place to roll out additional programmes across key venues with the introduction of Direct Debit memberships in Q2.</li> <li>• New progressive class programme for Boxercise introduced at Doon Valley Leisure Centre to help facilitate demand and support retention strategy. New circuit programme session added to timetable.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>

			An overall increase of 7% has been achieved against revised quarter 1 targets (Target = 674,992 Actual = 720,137).
EAST AYRSHIRE LEISURE 2.2	Increase opportunities for/numbers of young people (12-25) using our services.	<ul style="list-style-type: none"> <li>• Increase by 1% each year number of young people using our service areas.</li> <li>• Raise £50K external funding during life of Business Plan to support programmes aimed at young people.</li> <li>• Maintain and develop 2 partnerships/initiatives each year to support young people centred programmes e.g. EASC Affiliated Sports Clubs, Youth Arts Network, Vibrant Communities.</li> <li>• Offer reduced cost/free access to facility/project use for targeted groups of young people.</li> <li>• Carry out project surveys to measure behavioural change impact in 2016/17/18/19</li> </ul>	<ul style="list-style-type: none"> <li>• Funding has been secured from the Scottish Natural Heritage to develop a Natural Leaders Project aimed at S4 and S5 pupils in Auchinleck, Cumnock, Doon and Kilmarnock Academies. This project will involve the young people identifying local greenspaces of note, developing management plans and achieving Local Nature Reserve status for these sites. Subject to match funding, this project will start in October 2018 for 2 years.</li> <li>• The Countryside Ranger Service contributed to the annual Danger Detectives programme led by Vibrant Communities. Over 1200 primary school pupils took part in countryside safety activities over the 2 week period.</li> <li>• School trips were welcomed back to the Country Park throughout April to June. Schools came from all over west of Scotland including a full school visit from Lochranza Primary School and a 'leavers' celebration from Prestwick Academy. 2600 school pupils visited the Country Park in Q1.</li> <li>• An application has been made to Creative Breaks to enable us to offer respite activities in the residential centre for young carers. A decision is scheduled to be made in August 2018.</li> <li>• A funding bid to Heritage Lottery Fund's Year of Young People Programme has been submitted to provide an extension to the successful Youthlink Project that was piloted in February 2018. A decision is expected in August 2018.</li> <li>• Cultural services have developed a range of engagement programmes around visual art (children's, adult and Gaelic workshops), and museums (Egyptian, Roman and WWII workshops), some of which are income generating. The Cumnock Town Hall programme has been particularly young person centred during this quarter and has provided valuable engagement opportunities around our shows.</li> </ul>

			<ul style="list-style-type: none"> <li>Cultural Services were awarded £10K funding towards EventScotland's Year of Young People 2018. Funding supports a cultural programme led by young people at the Dick Institute.</li> <li>101 weekly sessions are on offer for those age 12 plus to participate in a wide range of sport and fitness activities. Sessions are delivered directly by East Ayrshire Leisure or in partnership with local sports clubs and organisations.</li> <li>17 Junior Membership (8-13 years) sold in Q1</li> <li>177 youth memberships (14-18yrs) were sold in Q1</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE 2.3	Maximise access to our facilities and programmes for people with physical, sensory or learning disabilities.	<ul style="list-style-type: none"> <li>Apply audit findings where appropriate, in 2017/18/19</li> <li>Support people using our facilities/ programmes with mixed ability needs.</li> </ul>	<ul style="list-style-type: none"> <li>A funding bid has been submitted to Greggs Foundation to develop the sensory garden at Dean Castle Country Park. The aim is to provide a 'food for free' garden that will be accessible to all visitors to enjoy.</li> <li>Action on Hearing Loss sessions took place across various libraries.</li> <li>Park School attended the library for a themed storytelling session in December.</li> <li>Concessionary discount on our gym and fitness memberships for adults with a disability allowing access to our gyms, swimming pools, athletics track and fitness classes. 44 memberships under this category sold in Q1.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE 2.4	Increase opportunities for/numbers of older people (60+) using our services.	<ul style="list-style-type: none"> <li>Increase attendance by older people by 1% each year.</li> <li>Ensure we have programmes that are attractive to older users.</li> <li>Carry out sample surveys to measure behavioural change impact in 2016/17/18/19</li> </ul>	<ul style="list-style-type: none"> <li>Developing programmes with Vibrant Communities team around aspects of library delivery and the Dean Castle project.</li> <li>Over 200 participants have taken part in our Growing Memories Project. The growing memories wildlife garden has been established at the Country Park using wildflowers that have been grown in care environments across East</li> </ul>

		<ul style="list-style-type: none"> <li>• Develop and maintain partnerships each year to support older people centred programmes e.g. NHS Ayrshire &amp; Arran, Vibrant Communities.</li> </ul>	<p>Ayrshire. The celebration day will be held in July 2018.</p> <ul style="list-style-type: none"> <li>• Libraries supported the Opportunities In Retirement book group.</li> <li>• A series of talks aimed at older people took place as part of the Pennylands Camp 22 exhibition at the Baird Institute.</li> <li>• Concessionary discount on our gym and fitness memberships for adults over 60 years old being promoted, allowing access to our gyms, swimming pools, athletics track and fitness classes. 97 memberships sold in Q4 in 2017/18.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
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**STRATEGIC OBJECTIVE THREE – TO ENHANCE EAST AYRSHIRE'S TOURISM OFFER**

ACTION NO	ACTION	TARGET	PROGRESS AT APRIL – JUNE 2018
EAST AYRSHIRE LEISURE 3.1	Increase visitor attendance at our key tourist attractions including: Dick Institute, Dean Castle & Country Park, Baird Institute, Doon Valley Museum, Burns House Museum & Library, River Ayr Way, Palace & Grand Hall Complex and Cumnock Town Hall	<ul style="list-style-type: none"> <li>• Increase levels of visitor attendance in line with targets set in local Tourism Strategies.</li> <li>• Develop cultural/countryside and sport tourism packages with Visit Scotland/EAC to promote our venues/events.</li> <li>• Submit external funding bids to support tourism development across our facilities/venues.</li> <li>• Maintain and develop partnership working with Visit Scotland/ EventsScotland to support our programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Cultural Services - Performance Q1 – listed Tourist venues show visitor numbers of 96,698 and shows a marginal increase on target. This is due to the programming strategies that were implemented some of which are highlighted below:</li> <li>• Dean Castle project is being tendered at present and due for start date of Sept/Oct 2018.</li> <li>• Bricktropolis was launched in June and will run for 6 weeks. It has drawn visitors from across Scotland.</li> <li>• Museum Galleries Scotland awarded grant to support the creation of a new Content Management System for our collections.</li> <li>• Countryside and Outdoor Activity venues listed as tourism venues have shown an increase of just over 6% against projected Q1 target. This includes over 327k visits to Dean Castle Country Park and just over 53k visits to the River Ayr Way.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p>An overall increase of 7% has been achieved against revised quarter 1 targets for venues listed as tourism venues</p>
EAST AYRSHIRE LEISURE 3.2	Work with local groups to add value to the tourism offer.	<ul style="list-style-type: none"> <li>• Work with 4 groups each year to support community development and to harness local knowledge.</li> </ul>	<ul style="list-style-type: none"> <li>• The first £325,000 of funding has been received from the Low Carbon Transport and Travel fund to implement the Irvine Valley Trails Project. Match funding decisions are expected in August/September 2018.</li> <li>• A funding bid for £1.1 million has been submitted to Sustrans Scotland's Community Links Fund for the implementation of the Kilmarnock Green Infrastructure Project to create an 18km, figure of 8, off road cycle route around Kilmarnock. This route will connect residential areas of Kilmarnock with the town centre, schools, key attractions including the Dick Institute and</li> </ul>

			<p>the Country Park, parks and sports centres. A decision is expected in July 2018. If successful, this will provide a 50% of project costs. Positive discussions over match funding have taken place with Scottish Natural Heritage for a submission in November to the ERDF Green Infrastructure Fund.</p> <ul style="list-style-type: none"> <li>Cultural services worked with Cumnock Community group to deliver the Pennylands Camp 22 project for the Baird Institute.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
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#### STRATEGIC OBJECTIVE FOUR – TO BE RECOGNISED AS AN EMPLOYER OF CHOICE

ACTION NO	ACTION	TARGET	PROGRESS AT APRIL – JUNE 2018
EAST AYRSHIRE LEISURE 4.1	Increase levels of staff satisfaction from 2016/17 baseline.	<ul style="list-style-type: none"> <li>Respond to survey findings.</li> <li>Maintain constructive relationship with Trade Union – 6 meetings annually.</li> <li>Maintain absence to below acceptable level of 8 days per annum.</li> <li>Continue to achieve low levels of formal Grievances</li> </ul>	<ul style="list-style-type: none"> <li>Absence level recorded for the period 1 April to 24 June was 1.84 days. This is primarily due to long term absence.</li> <li>No Grievance Appeals were held during this period.</li> <li>First staff e-newsletter including links to all key information/documents has been issued</li> <li>Cross-sector staff working groups established to look at key aspects of business development</li> <li>Our first Staff Information Day, Exchange, took place on 23rd/24<sup>th</sup> June at Cumnock Town Hall and Grand Hall, Kilmarnock. Feedback from staff has been very positive.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE 4.2	Increase the number of volunteering, placement and apprenticeship opportunities.	<ul style="list-style-type: none"> <li>6 Modern Apprenticeships during life of Business Plan subject to funding.</li> <li>10 work placements during life of</li> </ul>	<ul style="list-style-type: none"> <li>Friends of Dean continues to meet every 2 weeks with a core group of 15 volunteers taking part in a range of activities including maintenance, conservation tasks and event management.</li> </ul>

		<p>Business Plan</p> <ul style="list-style-type: none"> <li>• 3 interns during life of Business Plan.</li> <li>• Individual volunteers increase by 2% each year</li> <li>• Volunteer days increased by 2%</li> </ul>	<ul style="list-style-type: none"> <li>• In Q1, Countryside and Outdoor Activities worked with 16 placements from Ayrshire College who worked with the Estates team at Dean Castle Country Park and Annanhill Golf Course and 2 school work experience pupils.</li> <li>• 135 volunteer days were carried out at Dean Castle Country Park including Friends of the Dean, Rural Skills volunteer training days, ecological survey volunteers and event management volunteers.</li> <li>• Cultural Services currently has four active volunteers who assist on a weekly basis with the visual art classes and with EAYT. School placements are supported on an ongoing basis throughout the school year.</li> <li>• GENERATION Z has six young people volunteering on an ongoing basis as part of the Year of Young People programme.</li> <li>• 14 people continue to actively volunteer through our highly successful Textile Team temporarily based at the old Kirkstyle Primary School building.</li> <li>• Four people have also been volunteering on Dean Castle collection movement project.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
EAST AYRSHIRE LEISURE 4.3	Advance staff through training and development	<ul style="list-style-type: none"> <li>• Increase the use of EAGER working towards 95% coverage for permanent staff.</li> <li>• Develop training matrix for all service areas</li> <li>• Develop bespoke e-learning modules and training courses</li> <li>• Adopt volunteering policy allowing employees the opportunity to volunteer with external organisations</li> </ul>	<ul style="list-style-type: none"> <li>• All EAGER Personal Development Plans completed in 2017 /2018 have been utilised in designing a Training Delivery Plan to meet the needs of the organisation.</li> <li>• In addition work has also been ongoing to identify professional development needs and any external training requirements. The training plan includes bespoke customer services training specifically designed for Sport &amp; Fitness which will be delivered during July &amp; August 2018.</li> <li>• In this period training has focussed on: <ul style="list-style-type: none"> <li>○ Interview skills for employees</li> <li>○ Competency based training for supervisors</li> <li>○ Managing Attendance</li> <li>○ Managing Performance</li> </ul> </li> <li>• Attendance at the Exchange event held on the 25<sup>th</sup> &amp; 26<sup>th</sup> June 2018 was</li> </ul>

			<p>extremely positive with 144 permanent staff and 41 bank staff attending. Attendance at the event will be recorded as staff development.</p> <ul style="list-style-type: none"> <li>• Sport &amp; Fitness delivery of training courses in Q1 3 x Lifeguard, 2 x Swimming Teachers and 1 x Baby and Pre School Swimming Teacher. Courses have been coordinated to upskill staff, with reduced charges also in place to support members of the local community gain new qualifications leading to potential recruitment opportunities.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
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# **FINANCIAL PERFORMANCE**

## **TO 30.06.18**

**Performance & Audit Sub Committee**  
**2018/19 EAST AYRSHIRE LEISURE BUDGET**  
**AS AT 30<sup>th</sup> June 2018 – QUARTER 1 - PERIOD 3**  
**SIGNIFICANT VARIANCES – ANALYSIS & COMMENTARY**

The projected outturn for East Ayrshire Leisure at 30<sup>th</sup> June 2018 is projected breakeven position. This is based on the full achievement of budgeted income targets following the implementation of the Sport & Fitness Service.

There are further variances within Income and Expenditure, these are closely monitored and managed within the Service - detailed analysis provided below.

TABLE A – Overall Net Position (including Income/Expenditure) for East Ayrshire Leisure analysed by Service Area

TABLE B – Overall Net Position (including Income/Expenditure) for East Ayrshire Leisure analysed by Subjective Level

TABLE C – Income Position for East Ayrshire Leisure analysed by Service Area

TABLE D – Expenditure Position for East Ayrshire Leisure analysed by Service Area

ANNUAL BUDGET –Table below provides detail of Annual Budget showing the impact of 2018/19 savings approved at 27 Feb 2018 Board.

Service Division	Annual Budget 2018/19	Adjusted Annual Budget 2018/19 @Qtr 1	Adjusted Annual Budget 2018/19 @Qtr 2	Adjusted Annual Budget 2018/19 @Qtr 3	Adjusted Annual Budget 2018/19 @Qtr 4	Comments
CHIEF EXECUTIVE & PEOPLE & FINANCE	1,034,740	1,041,090				
MARKETING & DEVELOPMENT	283,310	283,310				
CULTURAL	1,907,010	1,910,350				
COUNTRYSIDE & OUTDOOR ACTIVITIES	782,710	783,960				
SPORT & FITNESS	508,650	510,100				
<b>TOTAL</b>	<b>4,516,420</b>	<b>4,528,810</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Management Fee	(4,493,670)	(4,493,670)				
Reserves	(22,750)	(35,140)				
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

### **Venues Allocated to Sport Areas:-**

Area 1 St Josephs Leisure Centre, Stewarton Sports Centre, William McIlivanney Campus

Area 2 Grange Leisure Centre, , Hunter Fitness Suite, Mauchline Games Hall

Area 3 Auchinleck Leisure Centre, Doon Valley Leisure Centre, Loudoun Leisure Centre

**TABLE A – OVERALL NET POSITION**

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	Service Division	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse
143,806	1,015,467	<b>CHIEF EXECUTIVE &amp; PEOPLE &amp; FINANCE</b>	1,041,090	151,364	167,834	15%	1,021,000	(20,090)
67,952	295,701	<b>MARKETING &amp; DEVELOPMENT</b>	283,310	48,975	62,016	17%	276,310	(7,000)
357,963	2,147,019	<b>CULTURAL</b>	1,910,350	461,233	394,707	24%	1,957,440	47,090
13,817	71,837	Cultural Management	70,950	13,593	13,606	19%	70,950	0
29,330	146,282	Collection Care	150,450	30,824	30,198	20%	149,450	(1,000)
79,101	415,834	Arts/Libraries/Museum Development	441,890	101,641	91,086	23%	433,700	(8,190)
1,038	7,014	Youth Theatre	(5,290)	(3,711)	(8,431)	70%	(5,290)	0
187,441	996,489	Libraries	920,320	239,875	193,991	26%	900,100	(20,220)
(14,030)	(25,883)	Hospitality	(28,140)	(4,764)	(8,459)	17%	(28,140)	0
88,572	408,568	Performing Arts Venues	323,020	81,598	95,849	25%	341,020	18,000
20,562	196,853	Community Venues	204,370	33,581	34,836	16%	222,870	18,500
(47,868)	(69,975)	Community Lettings & Co-Managed Centres	(167,220)	(31,405)	(47,969)	19%	(127,220)	40,000
101,454	922,273	<b>COUNTRYSIDE &amp; OUTDOOR ACTIVITIES</b>	783,960	149,374	84,189	19%	783,960	0
0	0	Countryside & Outdoor Activities Management	311,110	35,915	62,854	12%	250,110	(61,000)
108,110	591,596	Countryside Development	347,290	81,748	64,974	24%	398,290	51,000
(6,656)	330,677	Outdoor Activities	125,560	31,710	(43,639)	25%	135,560	10,000
125,178	746,640	<b>SPORT &amp; FITNESS</b>	510,100	86,370	79,719	17%	490,100	(20,000)
53,828	378,740	Sport & Community Management	424,200	52,402	81,787	12%	363,350	(60,850)
(9,581)	14,586	Area 1	(73,060)	10,627	(23,610)	-15%	(67,920)	5,140
2,297	59,260	Area 2	(30,060)	3,221	(10,596)	-11%	(15,490)	14,570
26,664	175,101	Area 3	189,020	18,318	32,138	10%	210,160	21,140
51,969	118,953	Temporary Facilities	0	1,802	0	0%	0	0
796,354	5,127,100	<b>TOTAL</b>	4,528,810	897,316	788,465	20%	4,528,810	0
(1,133,850)	(5,111,940)	<b>Management Fee</b>	(4,493,670)	(1,134,301)	(1,124,316)	25%	(4,493,670)	0
(337,496)	15,160	<b>TOTAL</b>	35,140	(236,985)	(335,851)		35,140	0
0	0	<b>Savings Yet to be Identified</b>	0	0	0		0	0
(14,429)	(117,860)	<b>Trs From Reserves</b>	(35,140)	(12,390)	0		(35,140)	0
0	0	<b>Designated Funds</b>	0	0	0		0	0
10,000	10,000	<b>Trs To Reserves</b>	0	0	0		0	0
(341,926)	(92,700)	<b>TOTAL (after transfer to reserves)</b>	0	(249,375)	(335,851)		0	0



**TABLE B – OVERALL NET POSITION**

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	Service Division	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse
(443,410)	(1,728,481)	Income From Charitable Activities	(2,103,530)	(362,683)	(548,270)	17%	(1,980,630)	122,900
(1,133,850)	(5,111,940)	Management Fee	(4,493,670)	(1,134,301)	(1,124,316)	25%	(4,493,670)	0
(1,577,260)	(6,840,421)	<b>TOTAL INCOME</b>	(6,597,200)	(1,496,984)	(1,672,586)	23%	(6,474,300)	122,900
1,002,421	4,982,657	Employee Costs	5,163,070	887,835	975,544	17%	5,030,810	(132,260)
7,892	38,018	Transport Costs	35,110	5,721	6,772	16%	33,610	(1,500)
27,592	741,635	Premises Costs	509,210	58,234	110,227	11%	521,560	12,350
181,711	752,756	Supplies & Services	804,180	300,796	219,292	37%	802,690	(1,490)
0	31,510	Financing Costs	8,090	0	0	0%	8,090	0
0	212,400	Support Costs	0	0	0	0%	0	0
20,147	96,605	Governance Costs	112,680	7,414	24,900	7%	112,680	0
<b>1,239,764</b>	<b>6,855,581</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>6,632,340</b>	<b>1,259,999</b>	<b>1,336,735</b>	<b>19%</b>	<b>6,509,440</b>	<b>(122,900)</b>
(337,496)	15,160	<b>NET POSITION</b>	<b>35,140</b>	<b>(236,985)</b>	<b>(335,851)</b>		<b>35,140</b>	<b>0</b>
0	0	Savings Yet to be Identified	0	0	0		0	0
(14,429)	(117,860)	Trs From Reserves	(35,140)	(12,390)	0		(35,140)	0
0	0	Designated Funds	0	0	0		0	0
10,000	10,000	Trs To Reserves	0	0	0		0	0
(341,926)	(92,700)	<b>TOTAL (after transfer to reserves)</b>	<b>0</b>	<b>(249,375)</b>	<b>(335,851)</b>		<b>0</b>	<b>0</b>

**TABLE C – INCOME POSITION**

Revised Actual Income To 30/6/17	Actual Out-turn to 31/03/18	Service Division	Annual Estimate 2018/19	Revised Actual Income To 30/6/18	Revised Budget Income To 30/6/18	Actual Income as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse
(1,051)	(3,378)	<b>CHIEF EXECUTIVE &amp; PEOPLE &amp; FINANCE</b>	(2,000)	(1,008)	(501)	50%	(2,000)	0
0	(617)	<b>MARKETING &amp; DEVELOPMENT</b>	0	89	0	0%	0	0
(151,286)	(763,667)	<b>CULTURAL</b>	(805,390)	(151,571)	(194,492)	19%	(802,200)	3,190
0	0	Cultural Management	0	(100)	0	0%	0	0
(668)	(4,188)	Collection Care	(2,000)	(478)	0	24%	(2,000)	0
(2,389)	(14,742)	Arts/Libraries/Museum Development	(13,270)	(14,713)	(2,729)	111%	(44,620)	(31,350)
(11,676)	(39,415)	Youth Theatre	(42,650)	(18,692)	(17,740)	44%	(42,650)	0
(7,647)	(74,599)	Libraries	(59,600)	(4,481)	(14,969)	8%	(64,360)	(4,760)
(33,505)	(126,834)	Hospitality	(163,610)	(28,260)	(40,528)	17%	(163,610)	0
(33,607)	(276,108)	Performing Arts Venues	(252,560)	(33,927)	(44,192)	13%	(259,060)	(6,500)
(21,514)	(86,540)	Community Venues	(91,200)	(19,799)	(22,784)	22%	(85,400)	5,800
(40,280)	(141,241)	Community Lettings & Co-Managed Centres	(180,500)	(31,122)	(51,550)	17%	(140,500)	40,000
(100,676)	(219,788)	<b>COUNTRYSIDE &amp; OUTDOOR ACTIVITIES</b>	(310,470)	(67,623)	(137,861)	22%	(277,470)	33,000
0	0	Countryside & Outdoor Activities Management	0	0	0		0	0
(11,240)	(40,082)	Countryside Development	(101,140)	(19,683)	(27,422)	19%	(68,140)	33,000
(89,436)	(179,707)	Outdoor Activities	(209,330)	(47,940)	(110,439)	23%	(209,330)	0
(190,396)	(741,032)	<b>SPORT &amp; FITNESS</b>	(985,670)	(142,570)	(215,416)	14%	(898,960)	86,710
(33,597)	(69,619)	Sport & Community Management	0	0	0		0	0
(49,297)	(233,589)	Area 1	(433,240)	(49,028)	(94,509)	11%	(391,940)	41,300
(38,970)	(184,341)	Area 2	(234,380)	(38,911)	(51,479)	17%	(210,110)	24,270
(58,800)	(238,350)	Area 3	(318,050)	(54,631)	(69,428)	17%	(296,910)	21,140
(9,732)	(15,133)	Temporary Facilities	0	0	0		0	0
(443,410)	(1,728,481)	<b>TOTAL</b>	(2,103,530)	(362,683)	(548,270)	17%	(1,980,630)	122,900
(1,133,850)	(5,111,940)	<b>Management Fee</b>	(4,493,670)	(1,134,301)	(1,124,316)	25%	(4,493,670)	0
(1,577,260)	(6,840,421)	<b>TOTAL</b>	(6,597,200)	(1,496,984)	(1,672,586)	23%	(6,474,300)	122,900

**TABLE D – EXPENDITURE POSITION**

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	Service Division	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse
144,858	1,018,844	<b>CHIEF EXECUTIVE &amp; PEOPLE &amp; FINANCE</b>	1,043,090	152,372	168,335	15%	1,023,000	(20,090)
67,952	296,318	<b>MARKETING &amp; DEVELOPMENT</b>	283,310	48,886	62,016	17%	276,310	(7,000)
509,249	(3,340)	<b>CULTURAL</b>	2,715,740	612,805	589,199	23%	2,759,640	43,900
13,817	0	Cultural Management	70,950	13,693	13,606	19%	70,950	0
29,998	0	Collection Care	152,450	31,302	30,198	21%	151,450	(1,000)
81,489	0	Arts/Libraries/Museum Development	455,160	116,354	93,815	26%	478,320	23,160
12,714	0	Youth Theatre	37,360	14,981	9,309	40%	37,360	0
195,088	(3,340)	Libraries	979,920	244,356	208,960	25%	964,460	(15,460)
19,475	0	Hospitality	135,470	23,496	32,069	17%	135,470	0
122,180	0	Performing Arts Venues	575,580	115,525	140,041	20%	600,080	24,500
42,076	0	Community Venues	295,570	53,380	57,620	18%	308,270	12,700
(7,588)	0	Community Lettings & Co-Managed Centres	13,280	(282)	3,581	-2%	13,280	0
202,130	1,142,061	<b>COUNTRYSIDE &amp; OUTDOOR ACTIVITIES</b>	1,094,430	216,997	222,050	20%	1,061,430	(33,000)
0	0	Countryside & Outdoor Activities Management	311,110	35,915	62,854	12%	250,110	(61,000)
119,351	631,678	Countryside Development	448,430	101,431	92,396	23%	466,430	18,000
82,779	510,383	Outdoor Activities	334,890	79,650	66,800	24%	344,890	10,000
315,575	1,487,671	<b>SPORT &amp; FITNESS</b>	1,495,770	228,939	295,135	15%	1,389,060	(106,710)
87,425	448,359	Sport & Community Management	424,200	52,402	81,787	12%	363,350	(60,850)
39,716	248,175	Area 1	360,180	59,655	70,899	17%	324,020	(36,160)
41,268	243,601	Area 2	204,320	42,132	40,883	21%	194,620	(9,700)
85,465	413,451	Area 3	507,070	72,949	101,566	14%	507,070	0
61,701	134,085	Temporary Facilities	0	1,802	0		0	0
1,239,764	3,941,555	<b>TOTAL</b>	6,632,340	1,259,999	1,336,735	19%	6,509,440	(122,900)
		<b>Management Fee</b>						0
1,239,764	3,941,555	<b>TOTAL</b>	6,632,340	1,259,999	1,336,735	19%	6,509,440	(122,900)

## CHIEF EXECUTIVE & PEOPLE & FINANCE SERVICE ANALYSIS

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	CHIEF EXECUTIVE & PEOPLE & FINANCE	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse	Comment
(1,051)	(3,378)	Income From Charitable Activities	(2,000)	(1,008)	(501)	50%	(2,000)	0	
(1,133,850)	(5,111,940)	Management Fee	(4,493,670)	(1,134,301)	(1,124,316)	25%	(4,493,670)	0	
(1,134,901)	(5,115,318)	<b>TOTAL INCOME</b>	<b>(4,495,670)</b>	<b>(1,135,309)</b>	<b>(1,124,817)</b>	<b>25%</b>	<b>(4,495,670)</b>	<b>0</b>	
122,949	704,484	Employee Costs	909,100	132,691	141,212	15%	889,010	(20,090)	Projected saving due to a part time vacancy and a continuing long term absence not being filled.
354	1,834	Transport Costs	2,750	129	690	5%	2,750	0	
11,473	17,273	Premises Costs	17,760	1,403	12,886	8%	17,760	0	
7,506	56,179	Supplies & Services	84,950	10,736	9,686	13%	84,950	0	
0	0	Financing Costs	0	0	0		0	0	
0	212,400	Support Costs	0	0	0		0	0	
2,576	26,675	Governance Costs	28,530	7,414	3,861	26%	28,530	0	
<b>144,858</b>	<b>1,018,844</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>1,043,090</b>	<b>152,372</b>	<b>168,335</b>	<b>15%</b>	<b>1,023,000</b>	<b>(20,090)</b>	
(990,044)	(4,096,473)	<b>NET POSITION</b>	<b>(3,452,580)</b>	<b>(982,937)</b>	<b>(956,482)</b>	<b>28%</b>	<b>(3,472,670)</b>	<b>(20,090)</b>	
0		Savings Yet to be Identified						0	
(730)	(12,300)	Trs From Reserves	(29,100)	(6,350)	0		(29,100)	0	
		Designated Funds						0	
		Trs To Reserves						0	
(990,774)	(4,108,773)	<b>TOTAL (after transfer to reserves)</b>	<b>(3,481,680)</b>	<b>(989,287)</b>	<b>(956,482)</b>	<b>28%</b>	<b>(3,501,770)</b>	<b>(20,090)</b>	

## MARKETING & DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	MARKETING & DEVELOPMENT	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse	Comment
0	(617)	Income From Charitable Activities	0	89	0		0	0	
0		Management Fee						0	
0	(617)	<b>TOTAL INCOME</b>	0	89	0		0	0	
49,417	232,125	Employee Costs	199,260	36,933	46,384	19%	192,260	(7,000)	Projected saving due to a part time vacancy and reduced use of bank staff.
0	0	Transport Costs	0	0	0		0	0	
0	0	Premises Costs	0	0	0		0	0	
17,639	62,630	Supplies & Services	82,350	11,953	15,207	15%	82,350	0	
0	0	Financing Costs	0	0	0		0	0	
0	0	Support Costs	0	0	0		0	0	
896	1,563	Governance Costs	1,700	0	425	0%	1,700	0	
<b>67,952</b>	<b>296,318</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>283,310</b>	<b>48,886</b>	<b>62,016</b>	<b>17%</b>	<b>276,310</b>	<b>(7,000)</b>	
<b>67,952</b>	<b>295,701</b>	<b>NET POSITION</b>	<b>283,310</b>	<b>48,975</b>	<b>62,016</b>	<b>17%</b>	<b>276,310</b>	<b>(7,000)</b>	
<b>(8,595)</b>	<b>(18,730)</b>	<b>Trs From Reserves</b>	0	0	0		0	0	
		<b>Designated Funds</b>						0	
		<b>Trs To Reserves</b>						0	
<b>59,357</b>	<b>276,971</b>	<b>TOTAL (after transfer to reserves)</b>	<b>283,310</b>	<b>48,975</b>	<b>62,016</b>	<b>17%</b>	<b>276,310</b>	<b>(7,000)</b>	

## CULTURAL SERVICE ANALYSIS

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	CULTURAL	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse	Comment
(151,286)	(763,667)	Income From Charitable Activities	(805,390)	(151,571)	(194,492)	19%	(802,200)	3,190	Unachievable historical £40k adverse letting income projection across Community Letting and Co-Managed Centres section and a £6k adverse income projecting across Community Venues largely due to Auchinleck and Darvel Town Hall not achieving income targets. This is offset against £31k favourable income across Arts, Libraries, Museums Development mainly due to Bricktropolis and Michael Morpurgo (income of which offset with expenditure below against supplies and services) plus £12k favourable income across Libraries and Performing Arts Venues combined.
		Management Fee						0	
(151,286)	(763,667)	TOTAL INCOME	(805,390)	(151,571)	(194,492)	19%	(802,200)	3,190	
371,340	1,997,502	Employee Costs	1,884,760	369,052	367,390	20%	1,903,350	18,590	Adverse position due to Community Venues/Community Letting and Co-Managed Centres management maternity leave costs, Projected bank overspends across Community Venues and Performing Arts Venues in addition to staffing service review not yet being fully implemented across Performing Arts Venues partially offset by plans to remove 2 posts and shift allowance across Community Venues in line with review. This is offset by projected bank underspends across libraries and Arts, Libraries, Museums Development sections.
2,276	10,340	Transport Costs	13,950	2,415	3,594	17%	12,450	(1,500)	Libraries transport costs projection.
1,178	400,364	Premises Costs	317,660	23,681	65,916	7%	330,040	12,380	Largely due to £11k spent on lighting for

									Libraries.
124,953	468,980	Supplies & Services	461,370	217,657	143,798	47%	475,800	14,430	£5k advertising set aside for Michael Morpurgo, additional spend in relation to Bricktropolis and Michael Morpurgo, £2k set aside for future libraries campaign work – offset partially against £10k book fund budget reduction.
0	7,440	Financing Costs	4,000	0	0	0%	4,000	0	
0	0	Support Costs	0	0	0		0	0	
9,503	26,060	Governance Costs	34,000	0	8,501	0%	34,000	0	
<b>509,249</b>	<b>2,910,686</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>2,715,740</b>	<b>612,805</b>	<b>589,199</b>	<b>23%</b>	<b>2,759,640</b>	<b>43,900</b>	
<b>357,963</b>	<b>2,147,019</b>	<b>NET POSITION</b>	<b>1,910,350</b>	<b>461,233</b>	<b>394,707</b>	<b>24%</b>	<b>1,957,440</b>	<b>47,090</b>	
	<b>(25,600)</b>	<b>Trs From Reserves</b>	<b>(3,340)</b>	<b>(3,340)</b>	<b>0</b>		<b>(3,340)</b>	<b>0</b>	
		<b>Designated Funds</b>					<b>0</b>	<b>0</b>	
		<b>Trs To Reserves</b>						<b>0</b>	
<b>357,963</b>	<b>2,121,419</b>	<b>TOTAL (after transfer to reserves)</b>	<b>1,907,010</b>	<b>457,893</b>	<b>394,707</b>	<b>24%</b>	<b>1,954,100</b>	<b>47,090</b>	

## COUNTRYSIDE SERVICE ANALYSIS

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	COUNTRYSIDE & OUTDOOR ACTIVITIES	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse	Comment
(100,676)	(219,788)	Income From Charitable Activities	(310,470)	(67,623)	(137,861)	22%	(277,470)	33,000	The contractor installing the sewage pipe across Annahill Golf Course was scheduled to be off site by March 2018. However, this has been delayed and has significantly impacted on the season ticket income. A compensation claim has been prepared and is being pursued by EAC Legal Services. Income projections will be updated when this claim has been finalised.
		Management Fee						0	A shortfall in income is also being projected for the new treehouse centre. Due to the delay in opening last year, bookings are not on target. Work is ongoing to promote this new aspect of the business.
(100,676)	(219,788)	TOTAL INCOME	(310,470)	(67,623)	(137,861)	22%	(277,470)	33,000	
160,661	743,082	Employee Costs	865,410	154,484	167,306	18%	832,410	(33,000)	Due to the Castle being closed, seasonal visitor service assistant posts have not been filled. This saving will contribute to off setting loss of income in the Treehouse Centre.
5,262	25,785	Transport Costs	18,410	3,177	2,488	17%	18,410	0	
16,236	243,528	Premises Costs	135,810	29,208	25,236	22%	135,810	0	
19,073	83,607	Supplies & Services	52,010	30,128	22,345	58%	52,010	0	
0	24,070	Financing Costs	4,090	0	0	0%	4,090	0	
0	0	Support Costs	0	0	0		0	0	
896	21,990	Governance Costs	18,700	0	4,675	0%	18,700	0	
202,130	1,142,061	TOTAL RESOURCES EXPENDED	1,094,430	216,997	222,050	20%	1,061,430	(33,000)	
101,454	922,273	NET POSITION	783,960	149,374	84,189	19%	783,960	0	
	(32,380)	Trs From Reserves	(1,250)	(1,250)	0		(1,250)	0	
		Designated Funds					0	0	
		Trs To Reserves						0	
101,454	889,893	TOTAL (after transfer to reserves)	782,710	148,124	84,189	19%	782,710	0	



## SPORT & FITNESS SERVICE ANALYSIS

Revised Actual Exp. To 30/6/17	Actual Out-turn to 31/03/18	SPORT & FITNESS	Annual Estimate 2018/19	Revised Actual Exp. To 30/6/18	Revised Budget To 30/6/18	Actual Exp as % of Annual Estimate	Projected Out-turn to 31/03/19	Variance (Favourable) / Adverse	Comment
(190,396)	(741,032)	Income From Charitable Activities	(985,670)	(142,570)	(215,416)	14%	(898,960)	86,710	Shortfall in membership income has arisen due to unforeseen delays in the implementation of direct debit membership as well as a delayed opening of the William McIlvanney Leisure Centre.
		Management Fee						0	
(190,396)	(741,032)	TOTAL INCOME	(985,670)	(142,570)	(215,416)	14%	(898,960)	86,710	
298,054	1,305,464	Employee Costs	1,304,540	194,675	253,252	15%	1,213,780	(90,760)	Variance relates to several vacancies within Sport and Fitness.
0	60	Transport Costs	0	0	0		0	0	
(1,295)	80,471	Premises Costs	37,980	3,943	6,189	10%	37,950	(30)	
12,540	81,360	Supplies & Services	123,500	30,322	28,256	25%	107,580	(15,920)	Variance relates to contingency fund agreed as part of the review of Sport and Community Venues
0	0	Financing Costs	0	0	0		0	0	
0	0	Support Costs	0	0	0		0	0	
6,275	20,316	Governance Costs	29,750	0	7,438	0%	29,750	0	
315,575	1,487,671	TOTAL RESOURCES EXPENDED	1,495,770	228,939	295,135	15%	1,389,060	(106,710)	
125,179	746,640	NET POSITION	510,100	86,370	79,719	17%	490,100	(20,000)	
(5,104)	(28,850)	Trs From Reserves	(11,450)	(11,450)	(10,000)		(11,450)	0	
	0	Designated Funds					0	0	
10,000	10,000	Trs To Reserves	10,000	10,000	10,000		10,000	0	
130,075	727,790	TOTAL (after transfer to reserves)	508,650	84,920	79,719	17%	488,650	(20,000)	

## RESERVES AS AT 30 JUNE 2018

TABLE A – Summary

TABLE B – Unuseable Reserves

TABLE C – Allocated Reserves Analysis

### TABLE A – SUMMARY

UNRESTRICTED RESERVES	2017/18 b/f	2017/18 SURPLUS	BALANCE 31 March 2018	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
FIXED ASSET RESERVE	39,280		39,280	39,280						39,280			
RETAINED RESERVES	250,000		250,000	250,000						250,000			
UNUSEABLE RESERVES (DEPRECIATION RESERVES)	47,620		47,620	47,620		0	0	0	0	47,620			see Table B
ALLOCATED RESERVES	122,930	92,700	215,630	215,630		12,390	0	0	0	203,240			see Table C
UNALLOCATED RESERVES	69,834	0	69,834	69,834						69,834			adjusted for £22,750 2018/19 Budget Savings not identified
HOLIDAY PAY PROVISION	(92,180)		(92,180)	(92,180)						(92,180)			
<b>TOTAL UNRESTRICTED RESERVES</b>	<b>437,484</b>	<b>92,700</b>	<b>530,184</b>	<b>530,184</b>	<b>0</b>	<b>12,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>517,794</b>			
RESTRICTED RESERVES			143,020			16,722				126,298			
PENSION RESERVE			(3,607,000)							(3,607,000)			
<b>TOTAL RESERVES</b>			<b>(2,933,796)</b>							<b>(2,962,908)</b>			

**TABLE B – Unuseable Reserves**

<b>UNUSEABLE RESERVES</b>	2017/18 b/f	2017/18 SURPLUS	BALANCE 31 March 2018	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
Libraries Fit Out - Mauchline	4,330		4,330	4,330						4,330	14 July 2015 Board	Ongoing	Works complete - amount to be drawn down at year end for depreciation. 5 years from 2015/16
Annanhill Golf Course - Staff Welfare Facilities	21,980		21,980	21,980						21,980	19 August 2014 Board	Ongoing	Installation now complete. Depreciation 5 years from 2016/17
Annanhill Golf Course - Maintenance Equipment	16,130		16,130	16,130						16,130	14 July 2015 Board, updated 13 Oct 2015	Ongoing	Fairways machine now in use. Will be drawn down at year end to cover depreciation. 5 years from 2015/16.
Homewords Van	5,180		5,180	5,180						5,180	7 June 2016 Board	Ongoing	Homewords Van delivered - amount to be drawn down at year end for depreciation. Depreciation 5 years from 2016/17
<b>TOTAL UNUSEABLE RESERVES</b>	<b>47,620</b>	<b>0</b>	<b>47,620</b>	<b>47,620</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>47,620</b>			

**TABLE C – Allocated Reserves Analysis**

ALLOCATED RESERVES	2017/18 b/f	2017/18 SURPLUS	BALANCE 31 March 2018	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
Training & Development	8,430		8,430	8,430		4,250				4,180	19 Sept 2017 Board	Ongoing	Training & Development Funds for 2018/19; Sport Training £5,500 - £4,250 spent, balance to be spent by June 2018
Website Development	23,900		23,900	23,900						23,900	19 Sept 2017 Board	Ongoing	Redesignate £25k from Marketing Co-ordinator (Sport) to Website Development. Tender to be issued by Procurement by August 2018.
Libraries Fit Out	80,500		80,500	80,500		3,340				77,160	14 July 2015 Board	Ongoing	Dick Institute initially £40k + further £40k, Newmilns £10k, Dick Institute due to commence 2018
Promotion of New Mobile Libraries	2,500		2,500	2,500						2,500	19 Sept 2017 Board	Ongoing	Redesignate to promotion of new Mobile Libraries - to be utilised by March 2019
Keep Scotland Beautiful	1,250		1,250	1,250		1,250				0	27 Feb 2018 Board	Complete	
DCCP Play Area	6,350		6,350	6,350						6,350	27 Feb 2018 Board	Ongoing	Proposals have been developed and feasibility and costs have been sought from Jupiter Play. Finalised proposals will be ready by Sept 2018.
PFS Miscellaneous Expenditure		8,000	8,000	8,000		2,100				5,900	5 June 2018 Board	Ongoing	Should be complete by the end of the year.
M&D Induction Video		5,000	5,000	5,000						5,000	6 June 2018 Board	Ongoing	Should be complete by the end of the year.
Sport Equipment		17,500	17,500	17,500		1,450				16,050	7 June 2018 Board	Ongoing	Should be complete by the end of Qtr 2.

Marketing Activity	30,000	30,000	30,000							30,000	8 June 2018 Board	Ongoing	Temp member of staff until March 2019.
Amalgamation Activity	32,200	32,200	32,200							32,200	9 June 2018 Board	Ongoing	
<b>TOTAL ALLOCATED RESERVES</b>	<b>122,930</b>	<b>92,700</b>	<b>215,630</b>	<b>215,630</b>	<b>0</b>	<b>12,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>203,240</b>			

## GENERAL PROJECTS

General Projects are multi-annual projects involving funding from external partners. These projects are not included in the Financial Monitoring reports.

<b>Project</b>	<b>Partners</b>	<b>Balance b/f 01.04.18</b>	<b>Balance at 30.06.18</b>	<b>Expected Completion Date</b>
Textile Team	Donations	(£640)	(£640)	Ongoing
Ayrshire Libraries Forum	North Ayrshire Council/South Ayrshire Council/East Ayrshire Council	(£4,336)	(£4,324)	Ongoing
Irvine Valley Trails	Renewable Energy Fund	(£77,210)	(£73,976)	Mar 2019
The McKie Collection	Museum Gallery Scotland	£2,489	£6,725	Jul 2018
Make Some Noise	Creative Scotland	(£13,180)	(£11,845)	June 2019
Kilmarnock Green Infrastructure	Transport Scotland / Scottish Natural Heritage	(£15,000)	(£15,000)	Ongoing
River Ayr Way Challenge	Awards For All	(£1,549)	(£1,549)	Ongoing
Bat Bothy	Groundwork UK (Tesco Bags of Help Scheme)	(£691)	(£691)	Aug 2018
Traditional Rural Skills	HLF	(£2,082)	(£1,730)	Jul 2018
Growing Memories	Awards for All	(£8,272)	(£4,503)	Jun 2018
WWI Memorial Artwork	Groundwork UK	(£2,000)	(£2,000)	Dec 2018
Museums Database	Museum Gallery Scotland	(£6,480)	(£6,480)	Dec 2019
Year of Young People	Event Scotland	(£9,309)	(£5,526)	Nov 2018
Gaelic Visual Arts	Bord Na Gaidhlig	(£5,400)	(£5,400)	Mar 2019
Magic at the Museum	Museums Galleries Scotland	-	£1,129	Jul 2018

Textile Team is a team of volunteers that were originally funded by HLF to carry out restoration and repair of textiles. The remaining funding supports the group to continue with its work.

Ayrshire Libraries Forum is a network partnership of the three Ayrshire councils, Ayrshire NHS, school, prison and higher education libraries to be used towards the upkeep of Ayrshire Working Lives website.

Received funding of £162,000 from the Renewable Energy Fund to appoint a project officer to implement the Irvine Valley Trails Project over a 3 year period.

The McKie Collection funded by Museum Galleries Scotland to support the digitisation of the McKie collection. A new post will be appointed for 18 months to deliver the project.

Make Some Noise is a music project funded by Creative Scotland and aimed at young people in a foster, looked-after, kinship or young caring environment and designed to help build self-esteem and provide a range of creative learning opportunities.

The design and feasibility work has been completed for the Kilmarnock Green Infrastructure Project and capital bid of £1.1 million has been submitted to Sustrans Scotland and a further bid for £0.9 million will be submitted to the Green Infrastructure Fund administered through the Scottish Natural Heritage in November. A Project Board, chaired by East Ayrshire Leisure, has been established to oversee the development and implementation of this 18 mile cycle route project for Kilmarnock made up of officers from East Ayrshire Leisure, East Ayrshire Council and Ayrshire Roads Alliance.

Following the completion of the Countryside Festival in 2015, there was an outstanding balance of £1,549 from the Awards for All grant. Awards for All have agreed that this money can be retained and used as part of the funding package for the upgraded River Ayr Way Signage and Interpretation project. Survey work has been completed for this project and implementation will take place throughout 2018/19

The Bat Bothy Project has secured £2000 through the Tesco Bags of Help scheme. Working with Xchange Scotland, this unique facility to encourage roosting and hibernating bats with the Country Park will be built by volunteers from across Europe.

As part of the Year of History, heritage and Archaeology, a grant of £10,000 was secured from the Heritage Lottery Fund. This grant will be used to create 2 volunteer apprenticeships, provide a range of rural skills training for volunteers and to purchase tools and equipment to enable traditional rural skills to be carried out at the Country Park.

£9903 has been awarded to East Ayrshire Leisure to develop a remote volunteering project in partnership with Alzheimer's Scotland. This project will provide all the equipment necessary for people suffering from dementia to grow wildflowers within their own homes. These will then be used to create a wildflower meadow at the Country Park. A celebration day will be organised in Summer 2018 where all volunteers and their families will be invited to a tea party at the Country Park.

£2k has been awarded to support the purchase and planting of trees and shrubbery associated with the WWI memorial artwork, which has been developed by Pidgin Perfect in collaboration with Scottish makar Jackie Kay, Loanhead Primary School and adults who took part in a poetry workshop.

Museums Database - East Ayrshire Leisure cares for approximately 250,000 objects within the museums it manages on behalf of East Ayrshire Council. Currently these collections are documented on a mixture of ageing and basic database systems. As we progress through the actions outlined within our Accreditation plan, including a full, basic inventory of all collections, plus our work with our Recognised collections, it is clear that we require a modern, future-proof database for use across the museum service, with opportunities for working with external partners in a more co-ordinated and efficient way. The total project cost is £21,600, of which Museums Galleries Scotland has awarded 75% of project costs. The task to procure, install and begin to populate the new database will be complete by the project end-date of 31 Dec 2019.

GENERATION Z - A co-designed programme of events throughout 2018. The launch event features Tom Foster of Judge Dredd fame, fully immersive Virtual Reality experiences, an interactive gaming tournament and a host of other drop in activities, GENERATION Z is a FREE festival for fans of all ages. GENERATION Z is funded by EVENTSCOTLAND.

Gaelic Visual Arts - The Dick Institute's *Gaidhlig Gailearaidhean* will see a second series of workshops facilitated in Gaelic in the galleries, aimed at promoting the use of Gaelic and the development of Gaelic language skills utilising visual arts and culture. Funded by Bord Na Gaidhlig and Creative Scotland

Magic at the Museum – TIME TRAVELLERS - Funded by Museums Galleries Scotland as part of Festival of Museums.





## **EXTERNAL FUNDING (APRIL – JUNE 2018)**

## EXTERNAL FUNDING APPROVED APPLICATIONS

(\* denotes funding not available to East Ayrshire Council)

Section	Name of Funding Provider and Project	Value of Funding/Support	Received in 2018/19
Countryside	LLCT - Low Carbon Travel & Transport Challenge Fund - Irvine Valley Trails	£325,976	£0
Cultural	Scottish Book Trust - Digital Storyteller in Residence	£6,900	£0
Cultural	The Reading Agency - Summer Reading Challenge	£350	£350
<b>TOTAL</b>		<b>£333,226</b>	<b>£350</b>



## **OTHER RELEVANT UPDATES**

## **Insurance Claims**

Public Liability Claims: 1 claim has been submitted during this period.

Employers Liability Claim: 3 claims have been submitted during this period with 1 claim ongoing.

## **Staff Satisfaction Survey Action Plan 2017/18**

The Staff Satisfaction survey identified a few key areas for improvement and an Action plan has been devised in conjunction with Team Leaders.

To assist with the cultural change required, and to improve communication across the Trust, a working group was brought together with representatives from all service areas to deliver Exchange: our inaugural staff information day. Attendance was required for all staff. The event took place over three sessions on 25/26 June; two in Kilmarnock and one in Cumnock. Feedback from all events was extremely positive and the working group will reconvene for a de-briefing session and to discuss plans for future events.

## **Mystery Shopping**

To ensure we maintain a consistent standard across each of our service areas, East Ayrshire Leisure undertake an annual 'Mystery Shopping' exercise in conjunction with VisitScotland. Facilities and services are assessed against a set criteria. We also participate in VisitScotland's Quality Assurance Scheme; the official grading system for tourism businesses. Participation in the scheme helps us to meet, and exceed, the high standards which our customers and visitors expect.

Reports are shared with Managers. Action Plans, highlighting areas for improvement, are devised following each Mystery Shopping and Accreditation visit. The next round of Mystery Shopping is currently being programmed for later in the year.

## **Gifts and Hospitality**

There was 1 form submitted for the period April – June 2018:

<b>Date Received</b>	<b>Name</b>	<b>From</b>	<b>Nature of Hospitality or Gift</b>
22/06/2018	People & Finance	Member of public attending the Recruitment Fair	Box of chocolates

## Customer Complaints

During the April-June period a total number of 240 comments were received and logged by the Marketing & Development Team. 9 of these were complaints, and were categorised as follows:

Category	No. received
Staff	1
Equipment	3
Online payments/Booking/Box Office	1
Events/Activities/Tours/exhibitions	2
Countryside Maintenance	1
Other	1
<b>Total</b>	<b>9</b>



## **PERFORMANCE SCORECARD**

## EALT PI Report

Generated on: 07 August 2018 14:38

Cannot group these rows by Theme

Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
EALT1 Average Days Lost per Employee	1.84	2	↑	↑	All employees are managed in accordance with East Ayrshire Leisure's Sickness Absence. The top 3 causes of absence are: – Musculo-Skeletal Ops/Recovery/Treatments Stress – Personal	<p><b>EALT1 Average Days Lost per Employee</b></p> <p>■ Quarters — Target (Quarters)</p>	🟢
EALT2 Total Income	£1,496,984.00	£1,923,986.00	↓	↓	Variances on income are to be expected due to cyclical fluctuations	<p><b>EALT2 Total Income</b></p> <p>■ Quarters — Target (Quarters)</p>	🔴

Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
EALT3 Total Expenditure	£1,259,999.00	£2,225,329.00	↓	↓	Variances on expenditure are to be expected due to cyclical fluctuations.	<p><b>EALT3 Total Expenditure</b></p> <p>■ Quarters — Target (Quarters)</p>	🚫
EALT4 Culture	127,441	122,756	↑	↑		<p><b>EALT4 Culture</b></p> <p>■ Quarters — Target (Quarters)</p>	✅



Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
EALT5 Sport and Community Venues	158,101	157,930	↓	↓		<p><b>EALT5 Sport and Community Venues</b></p> <p>Quarters — Target (Quarters)</p>	✅
EALT6 Countryside	434,235	394,306	↑	↑	Ayrshire Athletics Arena had an increase of 50% against target, DCCP had a 7% increase against target, Annanhill had a 26% decrease against target due to a delay in sewage work completion.	<p><b>EALT6 Countryside</b></p> <p>Quarters — Target (Quarters)</p>	✅

Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
EALT7 Future Museum (Virtual Service)	97,242	73,431	↓	↑	Future Museum continues to perform well. We are currently reviewing site with partners to help improve customer experience through upgrading design.	<p><b>EALT7 Future Museum (Virtual Service)</b></p> <p>■ Quarters — Target (Quarters)</p>	✓
EALT8 Eastayshireleisure.com (Virtual Service)	74,168	74,168	↑	↑		<p><b>EALT8 Eastayshireleisure.com (Virtual Service)</b></p> <p>■ Quarters — Target (Quarters)</p>	✓

PI Status	
	Alert
	Warning
	OK
	Unknown
	Data Only

Long Term Trends	
	Improving
	No Change
	Getting Worse

Short Term Trends	
	Improving
	No Change
	Getting Worse



## **RISK REGISTER**

## Risk Register

No.	Risk	Strategic Objective	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
1	There will be a 20% reduction in funding received from East Ayrshire Council, resulting in a reduction in service provision and a requirement to generate more income from services.	1,2,3,4	Chief Executive	4	4	16  RISK APPETITE: CAUTIOUS (Compliance)	HIGH	<ul style="list-style-type: none"> <li>Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider.</li> <li>Best Value Review Implementation</li> <li>PR; communications with staff and customers</li> </ul>
2	There is a risk of not being able to maintain high quality services because of a lack of funding, resulting in a failure to invest, loss of staff, a reduction in staff commitment and damage to East Ayrshire Leisure's reputation.	1,2,3,4	All Senior Manager	4	3	12  RISK APPETITE: OPEN (Reputation)	MEDIUM	<ul style="list-style-type: none"> <li>Business Planning</li> <li>Positive Public Relations</li> <li>Equipment Replacement Policy</li> <li>Continued dialogue with Council</li> <li>Employee Recognition Scheme</li> <li>EAGER - ongoing training and development of staff</li> </ul>
3	There is a risk partners and external stakeholders do not see East Ayrshire Leisure as a partner of choice because of a lack of resources invested in partnership activity, resulting in a failure to deliver Business Plan targets and the loss of external funding.	1,2,3,4	All Senior Managers	3	3	9  RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> <li>Service reviews</li> <li>Positive Public Relations</li> <li>Service Level Agreements/Contracts</li> </ul>

No.	Risk	Strategic Objective	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
4	There is a risk that buildings are not at the standard required or operating efficiently in terms of environmental sustainability due to a lack of capital investment or maintenance, resulting in a reduction in facilities, loss of income, the inability to market services, inability to respond to impacts of climate change or weather and the loss of services.	1,2,3,4	All Senior Managers	3	4	12  RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> <li>• Regular communication with the Council</li> <li>• Business Continuity Plan</li> <li>• Regular Workplace inspections and reviews</li> <li>• Fire Risk Assessments</li> <li>• Established repairs reporting system</li> <li>• Proposed Asset Management Plan (EAC)</li> <li>• Capital Improvement Plan</li> <li>• Environmental Management, Monitoring and reporting</li> </ul>
5	There is a risk that East Ayrshire Leisure does not take commercial opportunities because staff are not able to identify and take these opportunities, resulting in lost revenue streams, perceptions of poor service and the failure to be aligned with market demands.	1,2,3,4	All Senior Managers	4	3	12  RISK APPETITE: OPEN (Financial)	MEDIUM	<ul style="list-style-type: none"> <li>• Attendance at Events</li> <li>• Recruitment and Selection procedure</li> <li>• EAGER reviews</li> <li>• Training and development programme</li> </ul>

No.	Risk	Strategic Objective	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
6	There is a risk that East Ayrshire Leisure does not have the right people with the right skills in the right places because of the failure to adapt/train existing staff, not recruiting the right people and not motivating its workforce. This would result in poor services, lack of customer engagement, failure to cross-sell and a loss of income.	1,2,3,4	All Senior Managers	3	2	6  RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> <li>• Training and development</li> <li>• Ongoing review of Training matrices</li> <li>• Induction Process</li> <li>• Eager Reviews</li> <li>• Recruitment and selection procedure</li> <li>• Effective communication with staff</li> </ul>
7	There is a risk that East Ayrshire Leisure will not comply with legislation standards and fail to meet the requirements of Health & Safety, GDPR, OSCR, VAT etc.		All Senior Managers	2	4	8  RISK APPETITE: CAUTIOUS (Compliance)	MEDIUM	<ul style="list-style-type: none"> <li>• Dedicated Health &amp; Safety Officer</li> <li>• Partnerships Working Groups</li> <li>• Service Level Agreement</li> <li>• Support from East Ayrshire Council</li> </ul>

## **Risk Register**

### Risk Area 1

This risk was viewed as a compliant risk as East Ayrshire Leisure has to operate within the financial parameters that on the whole are decided by the Council. It has been well documented that East Ayrshire Leisure will have a reduction in funding from East Ayrshire Council and this will have a significant impact on the current venues we currently manage.

### Risk Area 2

This risk was viewed as an operational risk a reduction in available finance's and continued savings may impact on the quality of services the Trust provides.

### Risk Area 3

This risk was viewed as reputational; however the likelihood of it having a severe impact on the relationship we have with our partners is considered low as we have strong links with them and are able to adapt and negotiate change.

### Risk Area 4

This area is viewed as operational risk as an inability to maintain buildings can have a significant effect on the provision of service. This has occurred in a few cases for example, St Josephs SGP and the problem with loose tiles in our swimming pools.

### Risk Area 5

This area was viewed as a financial risk, but the Trust will take opportunities to increase income as opportunities arise.

### Risk Area 6

This area is viewed as an operational risk and the impact of this is low as the Trust has systems in place to ensure the ongoing demands of employees can be met.

### Risk Area 7

This was viewed as a compliance risk as the Trust must adhere to statutory requirements. The Trust has many controls in place and the likelihood of a failure is low, however, the repercussions could have a significant impact.

# REPORT TO BOARD OF TRUSTEES



## RISK MANAGEMENT POLICY

Date: 18 September 2018

Agenda Item: 6

Report By: John Griffiths, Chief Executive

### Summary

This report seeks formal approval for the Trust's Risk Management Policy.

### 1. BACKGROUND

- 1.1 The purpose of this report is to seek formal Board approval for a Risk Management Policy based on established Trust procedures.

### 2 INFORMATION

- 2.1 East Ayrshire Leisure has well established Risk Management procedures which were developed by Trustees and underpin the regular review and updating of the organisation's Risk Register.
- 2.2 A recent Internal Audit of the Trust's Governance arrangements identified that while a Risk Register is maintained along with a risk appetite statement, there is no Risk Management Policy in place.
- 2.3 In order to address this issue, a Risk Management Policy, based on the Trust's well established approach to Risk Management, has been developed and is attached as Appendix I to this report.
- 2.4 The Trust Board considered and approved the Risk Register for 2018/19 at its meeting on 23 April 2018. The attached Policy document contains the updated Risk Register approved in April. The Risk Register will continue to be submitted to the Board on a quarterly basis as part of the comprehensive performance report.

### Recommendation/s:

It is recommended that the Board:

- i. Approve the Risk Management Policy shown in Appendix I; and
- ii. Otherwise note the content of this report.

Signature:

A handwritten signature in black ink, appearing to read 'J. Griffiths'.

Designation: Chief Executive

Date: 13 August 2018



# Risk Management Policy



## Contents

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## East Ayrshire Leisure

East Ayrshire Leisure is a Scottish Charitable Independent Organisation (SCIO) and meets the requirements of the Office of the Scottish Charity Regulator (OSCR). On 1st July 2013 East Ayrshire Leisure assumed responsibility for the operation and management of a range of cultural, countryside and sports facilities and services.

The strategic direction of East Ayrshire Leisure is managed by our Board that consists of Councillors, Independent Members and a Trade Union representative. East Ayrshire Council also has two senior members of staff who sit on the Board as associate members.

## Our Business

As a charitable organisation East Ayrshire Leisure's main purpose is to deliver inspiring cultural, countryside, community and sport services and experiences to support East Ayrshire's communities' aspirations in a way that has a focus on ensuring equality of opportunity and access for all.

East Ayrshire Leisure is responsible for the operation and management of sports facilities and pitches, a country park and Core Path Network, libraries, museums, collections, arts venues and town halls and will provide sports, heritage, arts and countryside development programmes, health and fitness and outdoor learning.

## Risk Management

There are many risks to East Ayrshire Leisure's service delivery and these take various forms, e.g. financial risk, operational risk, risk to the public and service users, and risk to our reputation. These risks can affect our performance, our customers and members of the public. Therefore, we need to have a clear understanding of what these risks are and how they can be managed and controlled.

Managing our risks effectively is essential in achieving our strategic outcomes and targets, creating confidence among service users and the public, and ensuring effective governance. Effective Risk Management will also enable us to deliver service improvements taking account of prevailing circumstances.

## Identifying Risks

Each risk identified will be classified into a risk category; this will be used to ensure that the risk study captures all potential types of risks that may arise within the organisation. Listed below are the categories of risk that cover both the strategic and operational elements of the business.

Senior managers and Board members identified five risk categories:

Compliance	Operational	Reputation	Financial	Political
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## Risk Treatment

Once all risks have been identified and assessed, decisions must be taken to determine how best to control or manage them.

There are three strategic options available for managing and controlling risk exposure: acceptance, reduction and transfer. The option chosen to treat the risk will be determined by how appropriate it is to the risk event.

**Risk Acceptance:** An informed decision is taken to accept or retain the risk as it may not be necessary or appropriate to take action to treat the risk. Consideration should be given to the cost of avoiding, reducing or transferring the risk outweighing the potential benefits that would be realised.

**Risk Reduction:** Reducing the likelihood; preventing the risk from occurring by treating the causes of the risk; or taking action to reduce or control the consequence should the risk occur.

**Transfer the Risk:** Through conventional methods such as insurance policies or by asking a third party to take on the risk. Transfer through contract conditions, although there must be recognition that some residual risk may remain.

## **Risk Reporting**

Risk has to be reviewed and reported for two important reasons:

- To monitor whether or not the risk profile is changing
- To gain assurance that risk management is effective, and to identify to both the Board and the management team where and when further action is required.

With this in mind, a reporting process has been agreed to ensure formal reporting and monitoring of risk is effective and is regularly reviewed by the Trustees of the Performance and Audit Sub-Committee.

## Risk Management

East Ayrshire Leisure has had a Risk Register in place since its inception in July 2013.

The Board and Senior Management team have taken the following view of the 5 risk categories mentioned in Page 3.

- East Ayrshire Leisure is **open** to reputational risk.
- East Ayrshire Leisure is **open** to political risk.
- East Ayrshire Leisure is **open** about financial risk
- East Ayrshire Leisure is **cautious** about compliance risk.
- East Ayrshire Leisure is **open** to operational risk.

7 risks are identified in East Ayrshire Leisure's Risk Register. These can be viewed on the Risk Register Overview Document on page 8.

Risk 1 is viewed as a compliance risk and is therefore scored using a Cautious Risk matrix.

Risk 2 is viewed as a reputational risk and is therefore scored using an Open Risk matrix.

Risk 3 is viewed as a reputational risk and is therefore scored using an Open Risk matrix.

Risk 4 is viewed as an operational risk and is therefore scored using an Open Risk matrix.

Risk 5 is viewed as a financial risk and is therefore scored using an Open Risk matrix.

Risk 6 is viewed as an operational risk and is therefore scored using an Open Risk matrix.

Risk 7 is viewed as a compliance risk and is therefore scored using a Cautious Risk matrix.

Therefore, the two matrices used for scoring each risk on our Risk Register are:

### The Open Risk Matrix

Likelihood	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
Impact					

### The Cautious Risk Matrix

Likelihood	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
Impact					

Each risk is scored from 5 to 1 depending on likelihood and impact. For example, if something is very likely to happen it will score 5, whilst if the impact is very low it will score 1. Thereafter, the scores are multiplied to produce an overall risk rating. The score is then compared against the table in the associated Risk Matrix to indicate if it is a high, medium or low risk.

The scores and the Risk Matrix can be seen in the table below:

<b>Risk Area</b>	<b>Risk Matrix</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Total</b>	<b>Risk Evaluation</b>
<b>1.</b>	Cautious	4	4	16	High
<b>2.</b>	Open	4	3	12	Medium
<b>3.</b>	Open	3	3	9	Low
<b>4.</b>	Open	3	4	12	Medium
<b>5.</b>	Open	4	3	12	Medium
<b>6.</b>	Open	3	2	6	Low
<b>7.</b>	Cautious	2	4	8	Medium

## Risk Register

No.	Risk	Strategic Objective	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
1	There will be a 20% reduction in funding received from East Ayrshire Council, resulting in a reduction in service provision and a requirement to generate more income from services.	1,2,3,4	Chief Executive	4	4	16  RISK APPETITE: CAUTIOUS (Compliance)	HIGH	<ul style="list-style-type: none"> <li>Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider.</li> <li>Best Value Review Implementation</li> <li>PR; communications with staff and customers</li> </ul>
2	There is a risk of not being able to maintain high quality services because of a lack of funding, resulting in a failure to invest, loss of staff, a reduction in staff commitment and damage to East Ayrshire Leisure's reputation.	1,2,3,4	All Senior Manager	4	3	12  RISK APPETITE: OPEN (Reputation)	MEDIUM	<ul style="list-style-type: none"> <li>Business Planning</li> <li>Positive Public Relations</li> <li>Equipment Replacement policy</li> <li>Continued dialogue with Council</li> <li>Employee recognition scheme</li> <li>EAGER - ongoing training and development of staff</li> </ul>
3	There is a risk partners and external stakeholders do not see East Ayrshire Leisure as a partner of choice because of a lack of resources invested in partnership activity, resulting in a failure to deliver Business Plan targets and the loss of external funding.	1,2,3,4	All Senior Managers	3	3	9  RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> <li>Service reviews</li> <li>Positive Public Relations</li> <li>Service level agreements/Contracts</li> </ul>



No.	Risk	Strategic Objective	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
4	There is a risk that buildings are not at the standard required or operating efficiently in terms of environmental sustainability due to a lack of capital investment or maintenance, resulting in a reduction in facilities, loss of income, the inability to market services, inability to respond to impacts of climate change or weather and the loss of services.	1,2,3,4	All Senior Managers	3	4	12  RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> <li>• Regular communication with the Council</li> <li>• Business Continuity Plan</li> <li>• Regular Workplace inspections and reviews</li> <li>• Fire Risk Assessments</li> <li>• Established repairs reporting system</li> <li>• Proposed Asset Management Plan (EAC)</li> <li>• Capital Improvement Plan</li> <li>• Environmental Management, Monitoring and reporting</li> </ul>
5	There is a risk that East Ayrshire Leisure does not take commercial opportunities because staff are not able to identify and take these opportunities, resulting in lost revenue streams, perceptions of poor service and the failure to be aligned with market demands.	1,2,3,4	All Senior Managers	4	3	12  RISK APPETITE: OPEN (Financial)	MEDIUM	<ul style="list-style-type: none"> <li>• Attendance at Events</li> <li>• Recruitment and Selection procedure</li> <li>• EAGER reviews</li> <li>• Training and development programme</li> </ul>

No.	Risk	Strategic Objective	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
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## **Risk Analysis**

### Risk Area 1

This risk was viewed as a compliant risk as East Ayrshire Leisure has to operate within the financial parameters that on the whole are decided by East Ayrshire Council. It has been well documented that the East Ayrshire Leisure will have a reduction in funding from East Ayrshire Council and this will have a significant impact on the venues we currently manage.

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# REPORT TO BOARD OF TRUSTEES



## Scotland's Charter for a Tobacco Free Generation

Date: 18 June 2018

Agenda Item: 7

Report By: Anneke Freel, Countryside and Outdoor Activity Manager

### Summary

This report provides information regarding Scotland's Charter for a Tobacco Free Generation and seeks approval for East Ayrshire Leisure Trust to become a registered supporter of the Charter.

## I PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Trustees with information regarding Scotland's Charter for a Tobacco Free Generation, the local commitments that have been made through the Community Planning Partnership and to seek approval for East Ayrshire Leisure to be included as a supporter to the Charter.

## 2 INTRODUCTION

- 2.1 Smoking is the single biggest preventable cause of ill health and death in Scotland. Smoking prevalence in East Ayrshire is above the national average at 22.6% and the rate of smoking related hospital admissions is 4,610 per 100,000 of the population. This is the highest figure of all local authority areas in Scotland.
- 2.2 The Scottish Government has set a prevalence target of 5% or less by 2034.
- 2.3 East Ayrshire Community Planning Partnership, through its Wellbeing Delivery Group approved a long term approach to supporting a smoke free East Ayrshire through their smoke free grounds policy. Since 2015, NHS Ayrshire and Arran, Ayrshire College and East Ayrshire Council have all updated their Smoking in the Workplace to include smoking in the surrounding grounds. East Ayrshire Leisure has adopted the East Ayrshire Council Smoking in the Workplace Policy.

## 3 SCOTLAND'S CHARTER FOR A TOBACCO FREE GENERATION

- 3.1 ASH Scotland, on behalf of the Scottish Tobacco-free Alliance (STA), has developed a Charter which will support progress towards the 2034 target. The Charter aims to:
- Raise awareness and understanding of the goal of creating a tobacco free generation in Scotland by 2034
  - Engage organisations whose work directly or indirectly impacts on young people and families
  - Inspire those organisations to take action to reduce the harm caused by tobacco.
- 3.2 The ASH Scotland Charter is based on six key principles:
- I. Every baby should be born free from the harmful effects of tobacco
  - II. Children have a particular need for a smoke free environment
  - III. All children should play, learn and socialise in places that are free from tobacco
  - IV. Every child has the right to effective education that equips them to make positive informed choices on tobacco and health

# REPORT TO BOARD OF TRUSTEES



- V. All young people should be protected from the commercial interests which profit from recruiting new smokers
- VI. Any young person who smokes should be offered accessible support to help them become tobacco-free.

3.3 East Ayrshire Leisure has a role to play in the second and third principles of the charter in particular and a responsibility to ensure that young people using our venues are protected from the harmful effects of smoking.

## 4 BECOMING A SUPPORTING ORGANISATION

4.1 By becoming a register supporter of the Charter, East Ayrshire Leisure will benefit from:

- Access to a range of free resources
- A welcome pack and certificate
- Opportunities to promote our work
- Professional advice and support from ASH
- Our logo displayed on the ASH website

4.2 Becoming a registered supporter is free of charge and fits within the vision of the East Ayrshire Leisure Business Plan objectives of enhancing people's health and wellbeing.

4.3 To become a registered supporter, we must pledge three simple actions that East Ayrshire Leisure will take. It is recommended that these actions are:

- I. In partnership with East Ayrshire Council, designate the play park at Dean Castle Country Park as a smoke free play space. East Ayrshire Council propose to extend this to playparks across the authority area
- II. Designate the spectator area at the Ayrshire Athletics Arena as smoke free
- III. Provide a 'No Smoking' environment in all East Ayrshire Leisure establishments, workplaces, vehicles, surrounding grounds and vehicles parked on our grounds.

### Recommendation/s:

It is recommended that the Board:

- i. To remit the Countryside and Activity Services Manager to register East Ayrshire Leisure as a supporter of Scotland's Charter for a Tobacco Free Generation and to implement the actions proposed in the report in paragraph 4.3; and
- ii. Otherwise note the content of this report.

Signature: Anneke Freel

Designation: Countryside and Outdoor Activity Services Manager

Date: 20 August 2018