

TRUST BOARD MEETING



Date: 24 April 2018

Location: Ingram Room, Palace Theatre

Start time: 6.00pm

AGENDA			
AGENDA ITEM	FOR NOTING	FOR DISCUSSION	FOR APPROVAL/ DECISION
1. Apologies for Absence / Introductions	✓		
2. Declarations of Interest	✓		
3. Minutes of previous meetings 3.1 Board Meeting: 27 February 2018			✓
4. Risk Register Review 2018/19			✓
5. Chief Executive's Report	✓		
6. Climate Change Reporting 2017/18			✓
7. AOCB			
8. Dates of Next Meetings: Performance & Audit Sub-Committee: 21 May 2018 Trust Board: 5 June 2018			

For further information please contact: John Griffiths, Chief Executive
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REPORT TO BOARD OF TRUSTEES



RISK REGISTER REVIEW 2018/19

Date: 24 April 2018

Agenda Item: 4

Report By: John Griffiths, Chief Executive

Summary

This report provides the opportunity to update the Trust's Risk Register for 2018/19.

1 PURPOSE

- 1.1 The purpose of this report is to propose updates to the Trust's Risk Register for 2018/19 for Trustees consideration and approval.

2. INFORMATION

- 2.1 The current Risk Register was developed by the Board and underpins the Trust's approach to the delivery of the 2016-19 Business Plan.

- 2.2 The Risk Register is submitted to the Board on a quarterly basis as part of our regular Performance Reports. The current Risk Register has been reviewed by the Senior Management Team and is now submitted for Board consideration and approval. Any agreed updates will be included in 2018/19 Performance Reports.

- 2.3 The Risk Register with proposed updates is attached as Appendix 1 to this report. The proposed changes are relatively minor and are as follows:

Risk 1

- Reference to the Barclay Review has been removed and replaced by reference to the requirement to generate increased income from services.
- Under controls the reference to the risk relating to the Shadow Implementation Board has been removed.

Risk 4

- Controls – reference to Asset Management Plan included to replace 'planned preventative maintenance programme'.

Risk 7

- General Data Protection Regulations (GDPR) added to text to replace Data Protection.

- 2.4 The Trust's approach to Risk Analysis has also been reviewed and no changes are proposed by the Senior Management Team. A summary of the current approach to Risk Analysis is attached as Appendix 2 to this report.

REPORT TO BOARD OF TRUSTEES



Recommendation/s:

It is recommended that the Board:

- i. Consider and approve the updated Risk Register for 2018/19; and
- ii. Otherwise note the content of this report.

Signature:

A handwritten signature in black ink, appearing to be 'J. Gill'.

Designation: Chief Executive

Date: 10 April 2018



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"> • Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider. • Best Value Review Implementation • Role of Shadow Implementation Board • PR; communications with staff and customers
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"> • Business Planning • Positive Public Relations • Equipment Replacement policy • Continued dialogue with Council • Employee recognition scheme • EAGER - ongoing training and development of staff
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"> • Service reviews • Positive Public Relations • Service level agreements/Contracts

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"> • Regular communication with the Council • Business Continuity Plan • Regular Workplace inspections and reviews • Fire Risk Assessments • Established repairs reporting system • Proposed planned preventative maintenance programme Asset Management Plan (EAC) • Capital Improvement Plan • Environmental Management, Monitoring and reporting
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"> • Attendance at Events • Recruitment and Selection procedure • EAGER reviews • Training and development programme

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"> • Training and development • Ongoing review of Training matrices • Induction Process • Eager Reviews • Recruitment and selection procedure • Effective communication with staff
7	There is a risk that East Ayrshire Leisure will not comply with legislation standards and fail to meet the requirements of Health & Safety, Data Protection , GDPR, OSCR, VAT etc.		All Senior Managers	2	4	8 RISK APPETITE: CAUTIOUS (Compliance)	MEDIUM	<ul style="list-style-type: none"> • Dedicated Health & Safety Officer • Partnerships Working Groups • Service Level Agreement • Support from East Ayrshire Council

Risk Register – Risk Analysis

East Ayrshire Leisure has had a Risk Register in place since its inception in July 2013. However, after consultation with key partners it was decided that a review was necessary to ensure the risks within it were current and truly reflected the Trusts present status.

To enable the Trust to review and develop a more robust Risk Register a seminar was delivered by Scott-Moncrieff, the Board and Senior Management team were present and their views were taken on board.

This seminar produced the overall perceptions of those present and the type of risk in each area of business can be seen below:

- 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.

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 there are two distinct Risk Matrices used for scoring each risk on East Ayrshire Leisure's Risk Register these 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 used for each risk can be seen in the table below:

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

The justification for each risk and how they were scored can be viewed below:

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 the Trust will have to make savings over the period and this will have a significant impact on the current venues we 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 like, St Josephs SGP and the problem with loose tiles in 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, and therefore, have the ability to adjust as required.

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 provision can be met.

Risk Area 7.

This was viewed as a compliance risk as the Trust must adhere to statutory requirements. Although, 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



CHIEF EXECUTIVE'S REPORT

Date: 24 April 2018

Agenda Item: 5

1. PURPOSE

1.1 The purpose of this report is to provide the Board with updates on key issues that may not be covered by other Agenda items.

2. UPDATES

2.1 BEST VALUE REVIEW/GALLEON CENTRE

2.1.1 Further to the update given at the February Board meeting and via email, and with regard to our proposed integration with the Galleon Centre, updated information is available as follows:

- David Carey resigned from his post as Integration Officer and has now retired from his role as General Manager at the Galleon Centre.
- The Council has appointed members to its short life working group to look into investment in the Galleon Centre, or the construction of a new leisure facility. John Griffiths and Chris Murphy will represent East Ayrshire Leisure on this group.
- Scott-Moncrieff, our External Auditors, have been asked to carry out a Due Diligence review of the Kilmarnock Leisure Centre Trust. Scott-Moncrieff have now been given the information required and it is expected that a full report will be available before the end of the month.
- In terms of the Best Value Review, progress has been made towards developing a more commercial focus for East Ayrshire Leisure, particularly through the recent service reviews, and in addition agreement has been reached regarding the transfer of school bookings back to the Council.

2.2 MEETING SCHEDULE

2.2.2 At the Board meeting on 27 February 2018, a meeting schedule for 2018/19 was agreed. This schedule had been developed to reflect the proposal to bring together our Board and the Kilmarnock Leisure Centre Board during the year. As this proposal is now paused, the opportunity has been taken to review the meeting schedule and an alternative schedule is now proposed that reflects the needs of East Ayrshire Leisure while ensuring that time would be available for joint Board sessions, if and when required.

Date	Meeting
Monday 21 May 2018	Performance & Audit Sub Committee
Tuesday 5 June 2018	Trust Board
Monday 20 August 2018	Performance & Audit Sub Committee
Tuesday 18 September 2018	AGM and Trust Board
Tuesday 23 October 2018	Development Session
Monday 12 November 2018	Performance & Audit Sub Committee
Tuesday 27 November 2018	Trust Board
Monday 11 February 2019	Performance & Audit Sub Committee
Tuesday 26 February 2019	Trust Board

REPORT TO BOARD OF TRUSTEES



2.3 SAFEGUARDING POLICY

2.3.1 No issues with the current policy have been raised by Trustees following the discussion at the February Board meeting. The policy will be kept under review to ensure that it remains fit for purpose. No safeguarding issues have been reported since the last Board meeting.

2.4 ILLUMINIGHT

2.4.1 Further to discussions at the February Board meeting, negotiations with Unique Events have continued and are nearing completion. A further report on the detailed proposals will be submitted to the June Board meeting.

2.5 DICK INSTITUTE PROJECT

2.5.1 The award for the main contractor for the project will be made during late April. The aim will be to start work on site on 5th June and complete for a re-launch date in early October.

2.5.2 The work will be completed over two phases with Young People's Library and Learning Centre closing for phase I (June – July). The second phase will see this area opening to the public and the Adult Lending and event space closing (Aug-Sept). We aim to re-launch during Imprint, with a full event programme.

2.5.3 Our aim will be to provide full public IT access and reduced service library book access during the project phases.

2.5.4 During the works period the Bricktropolis exhibition and the Dean Castle Exhibition and museum access to upper floors will remain open.

2.6 DEAN CASTLE PROJECT

2.6.1 Dean Castle is now closed to the public and extensive work has now taken place to prepare collections for move to Dick Institute. The actual movement of collections will take place in the next two months and will be redisplayed in the North Museum of the Dick Institute for the 2.5year work period.

2.6.2 In line with our detailed Activity Plan, extensive workshop and community engagement programmes will take place at the Dick Institute during this period. Similar public learning programmes will focus on stonework conservation for the Dean Castle during this period.

2.6.3 We have detailed plans in place for user and non-user engagement and these are supported by Volunteer, Intern, Apprenticeship programmes. Our main focus during this period is to engage communities living in the SIMD areas of Kilmarnock and a range of directed programmes through schools and other community groups will help us to achieve this aim.

2.6.4 Work is taking place on the Interpretation Plan, which will support the transformation of the interior display spaces. The main contract for the restoration tender will be awarded during May and will result in June start date at Dean Castle.

2.7 ANNANHILL GOLF COURSE

2.7.1 In 2016 East Ayrshire Council agreed a Deed of Servitude to enable Land Improvement Holdings to facilitate a foul sewage pipe across Annanhill Golf Course. Work began on site on 1st October 2017 and is scheduled to be complete by March 30th 2018. During this period, the golf course has been operating with 9 holes. In March 2018, a programme of works was presented to East Ayrshire Leisure

REPORT TO BOARD OF TRUSTEES



that predicts an actual completion date of June 2018. This requires East Ayrshire Council Legal Services to negotiate an alteration to the Deed of Servitude.

- 2.7.2 The existing agreement included a revenue compensation figure of £20,000. The actual reduction in revenue for Annanhill, which can be attributed to the works, is a loss of over £47,000. The majority of this revenue is for the sale of season tickets. Season ticket sales predominantly take place in April and as we do not have an 18 hole course available, a further, significant reduction in income is likely.
- 2.7.3 These works have also had a significant impact on the golf clubs playing at Annanhill, however, this has never been factored into the impact and the revenue compensation.
- 2.7.4 Discussions with the Council are ongoing to ensure that suitable compensation for loss of income is available to the Trust as all play will be severely disrupted in the 2018 golf season.

2.8 RECRUITMENT FAIR

- 2.8.1 To address many of the issues faced by the organisation with the recruitment of staff, we held a Recruitment Fair on Saturday 24th March at the Visitor's Centre in Dean Castle Country Park. The main aim was to appoint full time, part-time and casual Lifeguards and Swimming Instructors by offering hands-on assistance and guidance through the full recruitment process.
- 2.8.2 In addition, we offered the opportunity to sign up to lifeguard and swimming teacher courses at heavily discounted prices. Successful completion of these courses will enable the interested parties to apply for future vacancies within East Ayrshire Leisure.
- 2.8.3 Representatives from Marketing & Development, People & Finance and the Sports Team worked closely together to ensure the Recruitment Fair was a great success and it resulted in the recruitment of 2 permanent employees, 7 bank Sports Venue Assistant, 3 Bank Swimming Instructors and 65 people signing up to our Lifeguard and Swimming Teacher courses, running between April and October.

Recommendation/s:

It is recommended that the Board:

- i. Approve the revised meeting schedule;
- ii Notes the updates provided by the Chief Executive.

Signature:

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

Designation: Chief Executive

Date: 11 April 2018

REPORT TO BOARD OF TRUSTEES



CLIMATE CHANGE REPORTING 2017/18

Date: 24 April 2018

Agenda Item: 6

Report By: Anneke Freel, Countryside and Outdoor Activity Services Manager

Summary

This report provides a background to the measures that are being taken to determine a base line figure for East Ayrshire Leisure's Carbon Footprint, to approve the Climate Change Report 2017/18 for publication and to remit Chief Executive to sign the Climate Change Declaration on behalf of East Ayrshire Leisure

1 BACKGROUND

- 1.1 Under the Climate Change Scotland Act 2009, all public bodies are required to report annually to Scottish Ministers on their compliance with the climate change duties within this legislation. Although, there is no statutory requirement for East Ayrshire Leisure to prepare a report for submission, it was agreed through SPORTA and in partnership with Keep Scotland Beautiful and 6 other trusts to take part in a pilot project to prepare a bespoke report for leisure Trusts.
- 1.2 The leisure trust climate change report has been structured around the same reporting template as the 180 public bodies with amendments that will capture the day to day operations of the leisure trusts, assess the risks from future and current climate change impacts and the include wider actions on sustainability that can be delivered.
- 1.3 Undertaking this work is in line with the East Ayrshire Leisure Business Plan 2016-18

2 PROCESS

- 2.1 There are a number of steps that need to be undertaken prior to the Climate Change report being written. The first of these is to determine the reporting boundaries and scope for East Ayrshire Leisure. This has been included as a Climate Change Reporting Guidance Note in Appendix A. This document outlines the venues included within the report and the reason for exclusion of certain venues. It also identifies what emission sources are being measured and the reason why others have been excluded. Finally, this document identifies 2017/18 as our baseline year. Whilst, East Ayrshire Leisure has information dating back to its inception in 2013, it is deemed appropriate to form a baseline in 2017/18 due to the venue closures and community asset transfers that would make it difficult to make year on year comparisons.
- 2.2 The next stage is to produce a processing document attached as Appendix B. This document collates the activity which has taken place in the 12 month period based on the venues and emission categories outlined in the Climate Change Reporting Guidance Notes. This activity data can be turned into Greenhouse Gas Emissions in tonnes of CO₂ equivalents.
- 2.3 The final stage is to produce the Climate Change Report which is attached as Appendix C, this report is structured as follows:

Organisational Profile

This provides key information about East Ayrshire Leisure and the reporting year that is covered. It also provides space to record information on items that are relevant to the rest of the report, including information on staff numbers, annual budgets and so forth. This information can be useful in helping to explain underlying influences on organisational emissions.

Governance, Management and Strategy

This section demonstrates the robust systems that East Ayrshire Leisure has in place for governance and management, particularly in relation to climate change.

Emissions, Targets and Projects

This provides the main body of the report which outlines the greenhouse gas emissions that East Ayrshire Leisure produces through our activities and services. This section also sets targets for managing, monitoring and reviewing emissions. The final part of this section is to identify any projects that will be undertaken to reduce carbon in the following reporting year.

Adaptation

Climate change adaptation means increasing the resilience of our operations, staff and visitors to a changing or more vulnerable climate. This section of the report outlines progress towards adapting to climate change and documenting how it is integrated into functions and services. This section of the report will become more detailed in future years as assessing and managing climate change risks are incorporated into our future work.

Procurement

Although procurement is currently managed through existing frameworks and contracts by East Ayrshire Council, this section highlights any improvements we can influence that will contribute to carbon emission reduction, climate change adaptation and sustainability.

Wider Influence

This section of the report allows us to report on projects and activities that aren't captured anywhere else and that demonstrate environmental good practice.

Validation and declaration

It is important to introduce internal and external arrangements to ensure that the quality of figures and information contained in the report is accurate. The arrangements that we have put in place are outlined in the final section of the report.

Recommendation/s:

It is recommended that the Board:

- i. Approve the East Ayrshire Leisure Climate Change Report for publication;
- ii. Remit to the Chief Executive to sign the Climate Change declaration on behalf of East Ayrshire Leisure; and
- iii. Otherwise note the content of this report.

REPORT TO BOARD OF TRUSTEES



Signature: Anneke Freel

Designation: Countryside and Outdoor Activity Services Manager

Date: 10 April 2018