

## **PERFORMANCE AND AUDIT SUB-COMMITTEE**

### **MINUTES OF MEETING HELD ON MONDAY 21 MAY 2018 AT 1800 HOURS IN ST JOSEPH'S LEISURE CENTRE, GRASSYARDS ROAD, KILMARNOCK**

**PRESENT:** Independent Trustee Robin Hume; Councillor Neil McGhee, Trustee; and Independent Trustees Jackie Livingston and June Minnery.

**ATTENDING:** John Griffiths, Chief Executive; Jackie Biggart, People and Finance Manager; Adam Geary, Cultural Services Manager; Chris Murphy, Sports and Community Venues Manager; and Lorraine Russell, Senior Accountant, all East Ayrshire Leisure Trust; and Gillian Hamilton, Democratic Services Officer, East Ayrshire Council.

**APOLOGIES:** Councillor Clare Maitland, Trustee.

**CHAIR:** Independent Trustee, Robin Hume, Chair.

#### **DECLARATIONS OF INTEREST**

- I. No declarations of interest were intimated.

#### **MINUTE OF PREVIOUS MEETING**

2. There were submitted and approved as a correct record the Minutes of the Performance and Audit Sub-Committee meeting held on 16 November 2017 (circulated).

#### **PERFORMANCE REPORT APRIL 2017 TO MARCH 2018**

3. There was submitted a report dated 2 May 2018 (circulated) by the Chief Executive on the Trust's performance for the financial year 2017/18. The results showed sound financial performance, however, there was a reduction in overall attendances for the reasons explained in the report. The introduction of the Illuminight event and a range of other new programme initiatives helped to offset the effects of challenging market conditions.

It was agreed:-

- (i) to approve the Annual Performance Report for 2017/18 for submission to the Trust Board;
- (ii) to approve the designation of funds proposed in the report and note that the allocation of support for Galleon amalgamation was to cover the cost (currently unquantified) of any extra specialist work/staff time that might be required to support the amalgamation of EALT and KLCT, given that EALT was now leading on this project;
- (iii) to note the retained reserves of £250,000 and unallocated reserves of £80,064 which would be retained in case of need later in the year;
- (iv) to note, in the Progress Against 2016/19 Action Plan Table, that attendance figures were below target across all venues during the year, the reasons behind this and the need, in setting future targets, to make better allowance for days lost due to closures;
- (v) to note the staff absence level recorded for the period 12 November 2017 to 31 March 2018, which was primarily due to long-term illness;
- (vi) to note that a staff newsletter would provide feedback on the recent staff satisfaction survey, which, together with reassurance about the confidentiality of returns, was hoped to increase the number of any future survey returns;

- (vii) to note the EAGER performance and that the table would be updated to reflect factors which had affected the count;
- (viii) to note the reasons behind the favourable variance in the Financial Performance to 31 March 2018 table, given the previous break-even projection;
- (ix) to note the favourable variance for the Youth Theatre and that the new pricing and operational structure had not had any detrimental effect on uptake;
- (x) to note that the holiday pay and pension provisions (statutory accounting requirements) in the Reserves as at 31 March 2018 table could be subject to change;
- (xi) to note that the EALT Risk Policy would be submitted to the Board in September; and
- (xii) otherwise, to note the contents of the report.

During consideration of the report, full discussion took place around the following matters raised in connection with website development and the online booking system:

- the brief for website development was now with Procurement to invite tenders;
- proposals for and the challenges associated with rolling out the Box Office online booking system;
- Trustees' concerns about (a) the adequacy of broadband connectivity to support the online booking system and (b) short notice cancellation of a class at Stewarton Sports Centre in respect of which an explanation was provided;
- Number of EALT fitness memberships has increased since last year;
- Trustees' request for a timetable for developing the box office and booking system; and
- the Galleon Centre operates a different booking system and as amalgamation progresses the options for a single booking system will need to be considered.

It was agreed the marketing and development presentation, to be given at the next Board meeting, would include an update on the development of the website.

#### **INTERNAL AUDIT PLAN 2018/19**

4. There was submitted a report dated 24 April 2018 (circulated) by the People and Finance Manager which provided Trustees with an update following the completion of the Internal Audit Plan for 2017/18 and details of the proposed Internal Audit Plan 2018/19.

It was agreed:-

- (i) approve the Internal Audit Programme 2018/19 as proposed in the report, notwithstanding that Trustees considered the advisory - charging review to be more suited to consultancy and they wished to see a return to more traditional use of Internal Audit;
- (ii) to note that a full report would come forward to the August Board on the advisory review of governance arrangements carried out under the 2017/18 Audit Plan; and
- (iii) otherwise, to note the contents of the report.

**EXTERNAL AUDIT PLAN 2017/17**

5. There was submitted and noted a report dated 1 May 2018 (circulated) by the Chief Executive which presented the External Audit Plan for 2017/18.

**STAFF RECOGNITION AWARD**

6. There was submitted a report dated 17 April 2018 (circulated) by the People and Finance Manager which provided details of nominations for the East Ayrshire Leisure Staff Recognition Scheme for the period January to March 2018.

It was agreed:-

- (i) to approve the nomination for the award of 'Going the Extra Mile';
- (ii) that submissions for staff previously recognised would not be considered again within an 18 month period, in order to provide equal opportunities for all staff; and
- (iii) otherwise, to note the contents of the report.

The meeting terminated at 1910 hours.