PERFORMANCE & AUDIT SUB COMMITTEE

Date: 16 May 2023

Location: Reception Room, Grand Hall

Start time: 4pm

AGENDA

AGENDA ITEM	FOR NOTING	FOR DISCUSSION	FOR APPROVAL/ DECISION
1. Apologies for Absence	✓		
2. Declarations of Interest	✓		
3. Notes of Previous Meeting – 7 February 2023			✓
4. Internal Audit Plan 2023/24			✓
5. External Audit Plan 2022/23	✓		
6. Performance Report January – March 2023			✓
7. Annual Highlight Report	✓		
8. AOCB			
9. Dates of Next Meetings: Trust Board: 30 May 2023 **Performance & Audit Sub-Committee:** 15 August 2023			

For further information please contact: Anneke Freel, Chief Officer
Email: Anneke.Freel@eastayrshireleisure.com   Tel: 01563 554710

PERFORMANCE & AUDIT SUB COMMITTEE

INTERNAL AUDIT PLAN

Date: 16 May 2023

Agenda Item: 4

Report by: Anneke Freel, Chief Officer

1 PURPOSE OF REPORT

1.1 The purpose of this report is to provide Trustees with an update on the agreed audit plan for 2022/23 and to outline the proposed Internal Audit Plan 2023/24 for consideration and approval.

2 BACKGROUND

2.1 East Ayrshire Leisure Trust continue to gain support from East Ayrshire Council's Internal Audit team through the Service Level Agreement. It was agreed at East Ayrshire Council's Governance and Scrutiny Committee to increase the annual allocation of 25 days to 50 days, for the financial year 2023-24. This will allow the completion of any outstanding work from the previous year's plan, whilst still enabling the effective delivery of the 2023/24 Audit Plan. The Trust continues to work in partnership with Internal Audit to provide independent assurance to both Trustees and the Council that our risk management, governance and internal control processes are operating effectively.

2.2 The Trust gains further assurance through the work Internal Audit undertake for the Council such as an audit of payroll and accounts payable; these are shared systems operated by both EAC and the Trust. A Rolling Assurance Programme is also in place for Heritage Assets held by the Trust on behalf of the Council, with work focussing on physically checking the existence and management of assets across various locations with a focus on high financial value assets. In addition, the Council's Internal Audit received the highest level of conformity in the External Quality Assessment that was undertaken.

3 INTERNAL AUDIT PLAN

3.1 An update on previous Internal Audit Plans is provided below:

3.1.1 Advisory - Development of Key Documents
The advisory work around this assignment was considered beneficial for Senior Managers, allowing Internal Audit to act as a 'critical friend' by supporting the development of key documents ensuring risk management controls and governance processes were established and documented. Documents reviewed included: Programme Development Strategy, Equality, Diversity & Inclusion Statement and Dean Castle Emergency Salvage Plan

Internal Audit identified the following:

- The Dean Castle Emergency Salvage Plan has been developed in line with the guidance published by Spectrum (the UK collection management standard) and contains all the required information suggested from the Spectrum guidance. It was noted that a process should be put in place to carry out testing of the plan.
- The Equality, Diversity and Inclusion Statement includes all expected information that outlines the EALTs commitment to equality as an employer when reviewed in line with the East Ayrshire Council Equal Opportunities Strategy. The significance of the statement could be enhanced by including the Trusts commitment to equality in its role as a service provider as well as an employer.

- The Programme Development Strategy has been approved by the Extended Management Team, relevant stakeholders and the Board of Trustees. In addition, experience and training requirements for staff will be considered throughout the timeframe of the strategy along with having arrangements in place for monitoring the outputs from the strategy. The review of the strategy showed that there are clear links to the EALT Strategic Vision and the Visit Scotland strategy "Scotland the Perfect Stage – Scotland's Events Strategy 2015-2025".

3.1.2 Internal Audit will carry out a follow up assignment to establish progress against each of the recommendations

3.2 Advisory - Protection of Property & People

3.2.1 It was intended that this work would have a key focus on the security and key-holding arrangements of Trust venues as well as a focus on lone working and threat of violence. The Trust recognises its responsibility to develop and implement suitable control measures to safeguard our employees and property. Therefore, it was envisaged that Internal Audit could add value and assist the organisation to meet their objectives.

3.2.2 Feedback from the review identified

- Procedures, training and risk assessments are in place to support staff who may have to deal with violence and aggression and lone working. This was confirmed through review of documents and discussion with staff onsite. The procedures were reviewed against Health and Safety Executive guidance and were found to include required information. Instances where staff could be subject to violence and aggression were discussed at a site visit. The Trust should review their risk assessments against a Physical Security Document and Template (per the East Ayrshire Council Physical and Environmental Policy) to ensure all control measures have been considered.

3.2.3 Internal Audit will carry out a follow up assignment to establish progress against each of the recommendations.

3.3 Advisory Works – Performance Monitoring

3.3.1 Performance monitoring is extremely important for the organisation as it acts not only as a means of gathering statistical information, regarding numbers of people accessing our services or visiting our venues, but it is also a mechanism to gauge customer and staff satisfaction as well as the impact we have on our communities. This assignment enabled Internal Audit to review the various mechanisms we have in place and how we ensure that we are accurately recording and gathering information, which either is shared with the Council or forms part of our 'Organisational Learning'.

3.3.2 Internal Audit identified:

- For the Organisational Learning process, there is a process in place for populating the organisational learning plan and controls are in place to capture all relevant issues/good practice within the quarterly plan to ensure that these are shared throughout the Trust. It is suggested that the Trust give consideration to the inclusion of timescales and an update on each of actions within the plan.
- The Performance Monitoring Protocol included the proposed approach to measuring customer satisfaction through various methods and how this will be analysed and be used to apply star ratings to the relevant venue/event/programme. This allows customer feedback to be received from various sources and ensures that this is used to report on performance. In order to enhance the methods used to receive customer feedback and reduce the use of

paper at venues it was suggested that the use of QR codes at venues and events to take customers to a smart survey could satisfy these requirements.

- The Trust have responsibility for the collection and calculation of 4 PIs that are included in the Council's SPI report and 3 of the indicators included in the Local Government Benchmarking Framework (LGBF) return. The procedures and workbooks that are submitted to East Ayrshire Council annually have not been updated to accurately reflect the recent review of LGBF. The Trust will review this workbook and ensure that it provides the necessary information to enable the Council to meet their statutory reporting obligations. This review should be undertake in partnership with the Council's Corporate Support Services alongside their own review of SPI and LGBF reporting.

3.3.3   Internal Audit will carry out a follow up assignment to establish progress against each of the recommendations.

4.   PROPOSED AUDIT PLAN 2023/24

4.1   A meeting was held with Internal Audit in March to discuss proposals for the 2023/24 Internal Audit Plan. The Executive Management Team have given the 2023/24 Internal Audit plan consideration and the following programme is being proposed for consideration:

Assignment Title	Type of Audit Activity	Description
Strategic Vision & Corporate Delivery Plan	Advisory	An advisory assignment to support the development of the third Corporate Delivery Plan. Assignment to consider alignment of Corporate Delivery Plans to the Trust's Strategic Vision, reporting of progress/measurement of outputs and ensuring objectives are SMART.
Libraries Equalities & Human Rights Compliance	Regularity	A regularity assignment to assess compliance of Libraries with the Equality Act 2010 and Equalities and Human Rights Commission Guidance.
Stock & Inventory Controls	Systems Review	A systems review of stock and inventory processes.

4.2   As part of the audit plan, it is essential to assess the implementation of the recommendations. Detailed below are the assignments where a follow up review is required:

- Protection of property and people
- Performance Indicators
- Development of key documents
- Shared sites

5.   CONCLUSION

5.1   There may be an occasion when we have to react to unplanned or adhoc work and, should this be necessary, there would be a requirement to review the Internal Audit plan. In this situation, further information will be presented to the Performance & Audit Sub-Committee.

PERFORMANCE & AUDIT SUB COMMITTEE

Recommendation/s:

It is recommended that the Performance and Audit Sub-Committee:

    i.   Considers and approve the Internal Audit Programme 2023/24 as proposed in this report; and

    ii.   Otherwise, note the content of this report.

Signature: *Annette Freel*

Designation: Chief Officer

Date: 1 May 2023

PERFORMANCE & AUDIT SUB COMMITTEE

EXTERNAL AUDIT PLAN 2022/23

Date: 16 May 2023

Agenda Item: 5

Report by: Lorraine Russell, Strategic Lead – Creating a Solid Foundation for Growth

1 PURPOSE

1.1 The purpose of this report is to present the External Audit Plan for 2022/23 for noting by the Sub-Committee.

2 BACKGROUND/CONSIDERATIONS

2.1 Azets Audit Services (previously Scott Moncrieff) were reappointed as East Ayrshire Leisure Trust's External Auditors in 2022. The contract is for 3 years with 3 1-year extensions.

2.2 The External Audit Plan is attached as Appendix 1 to this report. The document details the work plan which will underpin the 2022/23 External Audit and sets out how both the Board and Azets will meet their respective responsibilities under charities legislation and International Standards of Auditing.

2.3 The projected timescales for the audit allows for completion in July 2023, and this will allow the audited accounts to be presented to the AGM and then to the Council as part of the 2022/23 performance report.

Recommendation/s:

It is recommended that the Performance and Audit Sub-Committee:

   i.   Consider and note the External Audit Plan for 2022/23; and

   ii.   Otherwise note the content of this report.

Signature: Lorraine Russell

Designation: Strategic Lead – Creating a Solid Foundation for Growth

Date: 5 May 2023

Audit Plan

East Ayrshire Leisure Trust

Year ended 31 March 2023

Strictly Private & Confidential

The Board of Trustees
East Ayrshire Leisure Trust
Dick Institute
14 Elmbank Street
Kilmarnock
KA1 3BU

<div align="right">
Our ref: NIBE/SALO/EASTAL01
1 May 2023
</div>

Dear Sirs

East Ayrshire Leisure
Audit plan for the 31 March ended 2023

We are writing to confirm the audit arrangements in respect East Ayrshire Leisure Trust ('the Trust') for the year ended 31 March 2023.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) (ISAs UK)), which is directed towards forming and expressing an opinion on the financial statements. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, including those in respect of the preparation of financial statements.

There is more detail in respect of the responsibilities of the auditor and those charged with governance within our engagement letter. Our standard terms and conditions can be found at https://www.azets.co.uk/terms-of-business.

This audit plan highlights the key elements of our proposed audit strategy for the benefit of those charged with governance, as required by ISA (UK) 260 'Communication with those charged with governance'. On completion of our audit work, an audit findings letter will be issued prior to the approval of the financial statements and will detail our significant findings and other matters arising from the audit.

If, during the course of the audit, we identify any significant adverse or unexpected findings that we conclude should be communicated, we will do so on a timely basis, either informally or in writing.

Yours faithfully

Nick Bennett
Senior Statutory Auditor
Azets Audit Services

Contents

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1

1. Audit scope and general approach

Audit Scope

This section of our letter sets out the scope and nature of our audit and should be considered in conjunction with out letter of engagement dated 1 May 2023.

General approach

Our objective when performing an audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and to issue an auditor's report that includes our auditor's opinion.

As part of our general approach, we will:

- perform risk assessment procedures including updating our understanding of the entity and its environment, the financial reporting framework and system of internal control;
- review the design and implementation of key internal controls;
- identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement level and the assertion level for classes of transaction, account balances or disclosures;
- design and perform audit procedures responsive to those risks, to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; and
- exercise professional judgment and maintain professional scepticism throughout the audit recognising that circumstances may exist that cause the financial statements to be materially misstated.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud and respective responsibilities for prevention and detection of fraud.

New audit requirements for financial statements with periods commencing on/after 15 December 2021

UK audit firms are implementing a revised set of requirements for audits of financial statements with periods commencing on or after 15 December 2021. These revised requirements will have a significant impact on the way perform our audits, particularly how we assess the risk of material misstatement in an entity's financial statements, our approach to the audit of fraud, and the ways we ensure our audits are performed in line with regulatory requirements and to a high standard.

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An appendix to this document provides further detail on the implications of these new requirements.

Materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

Any identified errors greater than £7,400 will be recorded and discussed with you and, if not adjusted, confirmed as immaterial as part of your letter of representation to us.

The basis for our assessment of materiality for year is set out in an appendix to this letter.

Accounting systems and internal controls

The purpose of an audit is to express an opinion on the financial statements. As part of our work, we consider certain internal controls relevant to the preparation of the financial statements such that we are able to design appropriate audit procedures. However, this work is not for the purpose of expressing an opinion on the effectiveness of internal controls.

We will report to you in writing, significant deficiencies in internal controls that we identify during the audit. These matters will be limited to those which we conclude are of sufficient importance to merit being reported to you. The scope of our work is not designed to be an extensive review of all internal controls.

Going concern

Under the going concern principle it is assumed that an entity will continue in operation and there is neither the intention nor the need to liquidate it or cease to operate.

Management responsibility

Management is required to make and document a rigorous assessment of whether the entity is a going concern when preparing the financial statements. The process should be proportionate in nature and depth depending upon the size and level of financial risk and the complexity of the entity and its operations. The review period should cover at least 12 months from the date of approval of the financial statements. Trustees are also required to make balanced, proportionate and clear disclosures about going concern within the financial statements where material uncertainties exist in order to give a true and fair view.

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Auditor responsibility

Under ISA (UK) 570, we are required to consider the appropriateness of management's use of the going concern assumption in the preparation of the financial statements and consider whether there are material uncertainties about the entity's ability to continue as a going concern that need to be disclosed in the financial statements.

Further detail in respect of the responsibilities of the auditor and management can be found within our engagement letter.

Related party transactions

ISA 550 *Related Parties* requires that the audit process starts with the client providing a list of related parties to the auditor, including any companies under common control, shareholders and Trustees.

Previously you have informed us of the individuals and entities that you consider to be related parties. Please advise us of any changes for the period under audit.

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2. Significant and other risks of material misstatement

Significant risks are risks that require special audit consideration and include identified risks of material misstatement that:

- our risk assessment procedures have identified as being close to the upper range of the spectrum of inherent risk due to their nature and a combination of the likelihood and potential magnitude of misstatement; or
- are required to be treated as significant risks due to requirements of ISAs (UK), for example in relation to management override of internal controls.

Significant risks at the financial statement level

The below table summarises significant risks of material misstatement identified at the financial statement level. These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
Management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk **Risk of material misstatement: High**	Whilst we do not suspect any incidences of management override, we will review the accounting records for significant transactions that are outside the normal course of business and obtain evidence to ensure that these are valid and accounted for correctly. Procedures performed to mitigate risks of material misstatement in this area will include: - Review of accounting estimates, judgements and decisions made by management; - Testing of journal entries; and - Review of any unusual significant transactions.
Going concern including The Trustees must undertake a formal assessment of the Trust's ability to continue as a going concern for at least 12 months following the signing of the financial statements at both the planning stage of the audit and at the date the financial statements are signed.	In respect of going concern for each entity, we will review: - your assessment of going concern at planning and at the date of signing the financial statements; - budgets covering the 12 month period from the signing date of the financial statements; - post year end management accounts; and

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We have designed our audit procedures in order to obtain sufficient appropriate audit evidence over the above risks.

Risk of material misstatement: Medium

- the cash position at date of approval of the accounts.

We will also have a detailed discussion with the finance team in respect of going concern.

Finally, we will ask the Trustees, via the letter of representation, to confirm that the Trustees have concluded that each entity in the group is a going concern.

Significant risks at the assertion level for classes of transaction, account balances and disclosures

The below table summarises significant risks of material misstatement assertion level for classes of transaction, account balances and disclosures.

Identified risk of material misstatement	Audit approach
Fraud in revenue recognition Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements). **Inherent risk of material misstatement:** - Revenue (Occurrence**,** Completeness, Cut-off): **High**	Whilst we do not suspect any incidences of fraud or error, we will evaluate each type of income transaction and document our conclusions. Procedures performed to mitigate risks of material misstatement in this area will include: - Review and testing of revenue recognition policies; - Detailed substantive testing on material revenue streams; and - Substantive analytical procedures.
Pension Assumptions An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under FRS 102 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership date held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate. **Inherent risk of material misstatement:** - Pensions (Valuation,Accuracy,Completeness): **High**	We will review the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate. We will review the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data. We will agree the disclosures in the financial statements to information provided by the actuary.

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3. Audit team and timetable

Audit team

Our audit team will be as follows:

Role	Name	Email
Senior Statutory Auditor	Nick Bennett	Nick.Bennett@azets.co.uk
Manager	Sarah Lowe	Sarah.Lowe@azets.co.uk
Senior	Paul Byrne	Paul.Byrne@azets.co.uk
Associate	Lee Rush	Lee.Rush@azets.co.uk
Associate	Cameron Macintosh	Cameron.Macintosh@azets.co.uk

Timetable

Please find below confirmation of our proposed timetable for the audit as previously discussed with you:

Event	Date
Audit planning meeting	28 February 2023
Accounts information to be provided to Azets	28 April 2023
Performance & Audit Sub Committee at which the external audit plan will be considered	16 May 2023
Final audit	17 May 2023
Audit committee/Board meeting	15 August 2023
Target date of approval of accounts	12 September 2023
Statutory filing deadline	31 December 2023

The audit process is underpinned by effective project management to ensure that we co-ordinate and apply our resources efficiently to meet your deadlines. It is therefore essential that we work closely with your team to achieve this timetable.

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7

4. Fees

Our audit fee proposal (excluding VAT and disbursements) is as follows:

	Agreed fee £
Audit of Financial Statements	20,000

Our fee proposal is on the basis that:

- Supporting schedules and information are supplied by the agreed dates / on a timely and accurate basis and in accordance with the audit deliverables list provided;
- The financial statements will be prepared by us; and
- Your staff will be available to our team and will provide all reasonable assistance.

It is our policy to bill for overruns or scope extensions e.g., where we have incurred delays, deliverables have been late or of poor quality, where key personnel have not been available, or we have been asked to do extra work.

Our policy is to raise fees to account at appropriate stages of the audit such as on completion of the audit planning, completion of the interim visit, completion of the final audit work and after the financial statements have been signed.

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5. Audit independence and objectivity

We confirm that we comply with the Financial Reporting Council's (FRC) Ethical Standard and are able to issue an objective opinion on the financial statements. We have considered our integrity, independence and objectivity in respect of audit services provided and we have identified potential threats for which we have applied appropriate safeguards as follows:

Non-audit services

We have detailed in the table below the non- audit services provided, the threats to our independence these present and the safeguards we have put in place to mitigate these threats:

Non-audit service	Fees 20xy	Fees 2022	Type of threat	Safeguard
Preparation of statutory accounts	£5,900	£3,025	Self-review	Trustees to sign and approve all adjustments made to the financial statements. Preparation of statutory financials statements performed and reviewed by a separate team / Whilst the preparation of the statutory financial statements is carried out by members of the audit team, it is reviewed by a reviewer separate from the audit team.
Tax and VAT services	£nil	£1,360	Self Review	Work is performed by a separate team who are not involved in the delivery of audit services.

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9

6. Use of this letter

This planning letter has been prepared for the sole use of those charged with governance and, where applicable, and should not be relied upon by third parties. No responsibility is assumed by Azets Audits Services to third parties.

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10

7. Confirmation of arrangements

Please confirm in writing your agreement to these assignment terms by signing and returning a copy of this letter. If there are any elements of this audit plan to which you do not agree or would like to discuss, please let us know as soon as possible.

Yours faithfully

Nick Bennett
Senior Statutory Auditor
Azets Audit Services Limited

I confirm the arrangements set out above:

…………………………………………….

Name:

Position:

Date:

For and on behalf of East Ayrshire Leisure Trust

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11

Appendix: Implications of Revised Auditing Standards for periods commencing on/after 15 December 2021

Revised requirements for audits of financial statements with periods commencing on or after 15 December 2021 will have a significant impact on the way perform our audits, particularly how we assess the risk of material misstatement, our approach to the audit of fraud, and the ways we ensure our audits are performed in line with regulatory requirements and to a high standard. The in-depth nature of these additional procedures, as well as updated tools and techniques that may come into scope will also provide additional opportunity to provide insights and constructive feedback on the way you manage risks within your organisation.

The table below provides further detail on the implications of these new requirements.

Key change	Potential impact on the entity & our approach
An enhanced risk identification and assessment process, in turn promoting more focused auditor responses to identified risks	Management and those charged with governance may receive more up-front questions from us as we plan the audit and identify and assess risks of material misstatement. We may conduct planning and risk assessment procedures at a different time to previous engagements to ensure that our understanding is **comprehensive,** and that information leveraged as part of an effective and efficient approach. To facilitate a more robust risk-assessment process, we may request additional information to enhance our understanding of systems, processes and controls. For example, we may request: • a better understanding of an entity's business model and how it integrates the use of information technology (IT); • more information about an entity's own risk assessment process and process for monitoring its system of internal control; • more detailed narratives about how transactions are initiated, recorded, processed and reported; • support such as policies and procedure manuals, flowcharts and other supporting documentation to validate our understanding of the information systems relevant to the preparation of financial statements; and • more information (or ask more questions) to support our inherent risk assessment, given there are new factors to consider in completing the assessment. This information not only informs our risk assessment but also assists us in determining an appropriate response to risks identified including, where warranted, new significant risks which would require a different response.

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12

Understanding and acting on risks associated with IT	We will be asking more focused questions and making additional information requests to better understand the IT environment at the entity, including: • IT applications, including data warehouses and report writers; • supporting IT infrastructure (i.e., network, operating systems, databases and their related hardware and software); • IT processes (i.e., managing program changes, IT environment changes, and IT operations); and • IT personnel involved in the IT processes. Combined with the identified controls that may be needed to address the identified and assessed risks of material misstatement, this understanding may also identify risks (and potentially new risks) arising from the use of IT. Therefore, we will be asking more focused questions and requesting additional information to understand the general IT controls that address such risks. For example, we may have additional questions in relation to general IT controls over journal entries (e.g., segregation of duties related to parking and posting entries) to address risks arising from the use of IT. Depending on the complexity of systems and associated risks, we may also involve additional team members, such as IT specialists, who may need to engage with members of the entity's IT team who were not previously involved in the audit process.
Enhanced procedures in connection with fraud	We will be asking more targeted questions as part of an enhanced approach to fraud, including: • asking questions of anyone in the entity that deals with allegations, if any, of fraud raised by employees or related parties; and • discussing with those charged with governance the risks of material fraud, including those specific to the sector(s) in which the entity operates. Combined with other information, and any inconsistencies in responses from those charged with governance and management, we then determine implications for further procedures as part of our audit. Work in connection with fraud may also now include the use of audit data analytics, or the inclusion of specialists in our engagement team (for example, with forensic accounting experience) to ensure we obtain sufficient appropriate audit evidence to conclude whether the financial statements are materially misstated as a result of fraud. In addition to existing communication and reporting requirements relating to irregularities and fraud, there may also be additional matters we report to those charged with governance in connection with management's process for identifying and responding to the

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13

	risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud. These enhanced requirements may assist in the prevention and detection of material fraud, though do not provide absolute assurance that all fraud is detected or alter the fact that the primary responsibility for prevention and detection of fraud rests with both those charged with governance and management.
Enhanced requirements relating to exercising professional scepticism	Challenge, scepticism and the application of appropriate professional judgement are key components of our audit approach. You may receive additional inquiries if information is found that contradicts what our teams have already learned in the audit or in instances where records or documents seen in the course of the audit appear to have been tampered with, or to not be authentic. We may also seek further independent verification of amounts with banks or lenders, suppliers or customers depending on our appraisal of risk in certain areas.
Using the right resources, in the right way, at the right time	One of our new strategic quality objectives sets out that we will strive to use the right resource, in the right way, at the right time. On a specific engagement this may mean increasing the use of specialists (for example in relation to general IT controls, forensic accounting or valuations) or changing the shape of the audit engagement team to ensure that we are able to provide appropriate challenge and feedback in specialist areas. This will include appropriate use of technology, including data analytics. These changes are an expectation of all new audit standards that apply for December 2022 year end audits onwards and short periods commencing on/after 15 December 2021.

The nature, timing and extent of our involvement in the work of **X auditor** will begin with a discussion on risks, guidance on designing procedures, participation in meetings, followed by the review of relevant aspects of the **X auditor** audit documentation and meeting with appropriate members of management.

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14

Appendix: Materiality

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to those charged with governance and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Under ISA (UK) 260 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA (UK) 260 defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

An omission or misstatement is regarded as material if it would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of the business and the needs of the users.

When planning, we make judgements about the size of misstatements which we consider to be material, and which provide a basis for determining the nature and extent of our audit procedures. Materiality is revised as our audit progresses, should we become aware of any information that would have caused us to determine a different amount had we known about it during our planning.

Our assessment of materiality for this year ended 31 March 2023 was calculated as follows.

	Value (£)	Basis(£)	Explanation
Overall materiality for the financial statements	148,000	2% of prior year income	Accounts materially misstated where total errors exceed this value.
Performance materiality	111,000	75% of overall materiality	Work performed to capture individual errors at this level.
Trivial threshold	7,400	5% of overall materiality	All errors greater than this are reported.

We will reassess our materiality once the current year-end figures have been received.

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15

PERFORMANCE AND AUDIT SUB-COMMITTEE

PERFORMANCE REPORT JANUARY TO MARCH 2023

Date: 16 May 2023

Agenda Item: 6

Report by: Anneke Freel, Chief Officer

1   PURPOSE OF REPORT

1.1   This report provides details of the Trust's performance for the period January to March 2023, the fourth and final quarter of the 2022/23 financial year.

1.2   In line with the organisational review, Strategic Vision and Corporate Delivery Plan, the performance report has been separated into 3 documents:

- East Ayrshire Leisure Performs – providing an update on attendance figures, organisational learning, the risk register and other organisational wide items
- Corporate Delivery Plan Record of Progress – providing an update on the priority outcomes
- Financial Performance – providing an update on our financial position at the end of the quarter and projections to the end of the financial year

2   EAST AYRSHIRE LEISURE PERFORMS

2.1   The overall attendance at our venues for the period January - March 2023 was 370,489. As well as increasing our figures from the same period in 2021/22, we are now reporting a 32% increase on our pre-covid baseline figures for quarter 4. This is exceptional performance, which demonstrates recovery and growth. The management team will harness this positive trend and continue to develop services that respond to community need and aspiration

2.2   Quarter 4 returned an increase of 112% across our libraries compared to 2021/22, with Auchinleck, Stewarton and Crosshouse performing particularly well. This increase could be due to the cost of living campaign and the promotion of libraries as warm and welcoming spaces that provide community activities and digital connectivity. Whilst there is still a bit to go before pre-covid figures are reached for libraries, this is a significant turning point. A Customer Exchange programme is being organised for early 2022/23 that will harness this in line with our vision for each venue outlined in the Leisure Facility Strategy.

2.3   The performance indicators identified within the strategic vision are outlined within the performance report. Some targets including the number of partnership projects we engage in, the number of local and regional events and exhibitions we offer and the number of programmes for 12-25 years have already exceeded our 2030 aspirations. Work will continue to maintain these levels and consider ways to develop the programmes. The attendance figures and the number of children engaged in our education programme have only reached 55% and 33%, towards achieving our 2030 aspirations. However, given that the first 3 years of this strategic vision have been significantly affected by Covid-19, these targets are still deemed to be achievable and the priorities set out in our Leisure Facility Strategy, Corporate Delivery Plans, Programme Develop Strategy and Digital Transformation Action Plan will all contribute to realising these targets.

2.4   East Ayrshire Leisure has been undergoing a significant organisational review. During quarter 4, a number of the management team were involved in very detailed employee and trade union engagement and consultation. This has enabled us to remove the majority of temporary contracts and undertake a large scale recruitment drive for permanent members of staff. As well as being involved in staff

consultations and recruitment, it shouldn't be underestimated the amount of work that is required behind the scenes to ensure that the organisational review has been implemented as seamlessly as possible. This has included updating all systems such as our HR, incident reporting, finance and IT systems and process to reflect the new structures and reporting layers.

2.5   The risk register has been reviewed with no amendments from quarter 3.

3   **CORPORATE DELIVERY PLAN RECORD OF PROGRESS**

3.1   Previously 3 priority outputs had been reported as complete and removed from the progress report. Quarter 4 of 22/23 has identified a further 17 outputs as complete. These will be removed from the Q1 2023/24 progress report. It should be noted that all outputs and their progress are available through the Trustees Portal for information. Of 91 priority outputs that have been included within the 2022-24 Corporate Delivery Plan only 14 have yet to be started. These are scheduled to be worked on throughout 23/24. Some of these are highlighted in the following paragraphs.

3.2   We had a very successful East Ayrshire Young Carers visit in February. Ryan Duffy from the carers said: "I would just like to say that all our Young Carers had an absolutely fantastic time! Every single one of them have since asked when they can go back! All the staff were brilliant too, all very welcoming and hospitable whether during activities or just when seen around the visitor centre. The activities were fab, the night walk and bushcraft in particular the kids loved! Booked again for July". It is hoped that this will be established as an ongoing partnership, which will see a fantastic use of the residential centre.

3.3   The protecting the environment team have been successful in bringing in £36,000 in funding for residential visits. We will be working with the Health and Social Care Partnership to allow weeklong visits for young people from the ASN network, their families and carers. These Nature Therapy weeks will be a catalyst for partnership working with the Health and Social Care Partnership who have added £12000 to the funding for room diversity and sensory equipment.

3.4   Alongside the re-opening of Dean Castle, work was undertaken to develop a micro-site within the main East Ayrshire Leisure website; deancastlecountrypark.com. This development allowed information about the Castle and Country Park to sit in one clear section of the website. This not only allows for an easier online customer journey but also addresses VisitScotland's recommendations about the attraction having its own site as it is a major tourist attraction. The pages were developed with new colours for brand consistency and allowed further pages to be created to give a more in-depth online experience for visitors. The creation of additional web pages allowed us to better promote the new gift shop and the attraction's links to Outlander as well as giving more historical information on the castle and the collections which are linked to QR codes on venue interpretation.

3.5   The development of this microsite increases the attraction's visibility on Google searches and has also allowed us to set up more in depth Google Adwords to help visitors find us online and increase our visibility in Google search rankings. deancastlecountrypark.com features in the top 5 Google search results after only 3 weeks of being in use. Another key factor in the development of deancastlecountrypark.com was to allow Google Translate to be installed on the site meaning that overseas visitors can view the site in alternative languages. This is in the development stage and will be made live on the site after some testing.

3.6   A working group has been developed to further progress the procurement of a leisure management and ticketing system. A project plan has been produced to establish a 5 year contract, with the option to extend for a further three one-year period. It is anticipated that the new Leisure Management contract will start at the end of October 2023 with the ticketing system being operational early in

2024. These dates are provisional and may vary based on individual suppliers. A communication and engagement plan is also being developed to ensure that we address all previous system issues, taking account of the range of requirements from all users including staff, customers and promoters, whilst taking on board the full customer journey to ensure a seamless and integrated approach that complements the need for a robust, fully functional and readily accessible reporting and marketing tools.

4   FINANCIAL PERFORMANCE
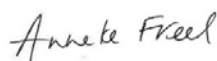
4.1   The financial performance quarter 4 report provides detail of the Trust's financial performance for the period January - March 2023. The projected outturn for East Ayrshire Leisure at 31st March 2023 is a favourable position of £201k. This is a fantastic position to be in and is predominantly related to external funding success.

Recommendation/s:

It is recommended that Trustees:

i.   Consider and approve the East Ayrshire Leisure Performs Report for the period January – March 2023; and

ii.   Otherwise note the content of this report.

Signature: *Annette Freel*

Designation: Chief Officer

Date: 23 April 2023

EAST AYRSHIRE LEISURE PERFORMS

QUARTER 4

JANUARY - MARCH

2022/23

Contents

PERFORMANCE INDICATORS

Attendance Figures

The following chart summarises our attendance figures across 3 of our strategic themes and the table provides a detailed breakdown of which venues are included within each theme.

Customers Attending our Venues

Theme	Q 3 2022/23	Pre-covid baseline (19/20)	21/22 Figures
Leisure at the Heart	226671	198255	187004
Living Your Best Life	67165	62908	56538
Protecting Our Environment	97338	18971	111545
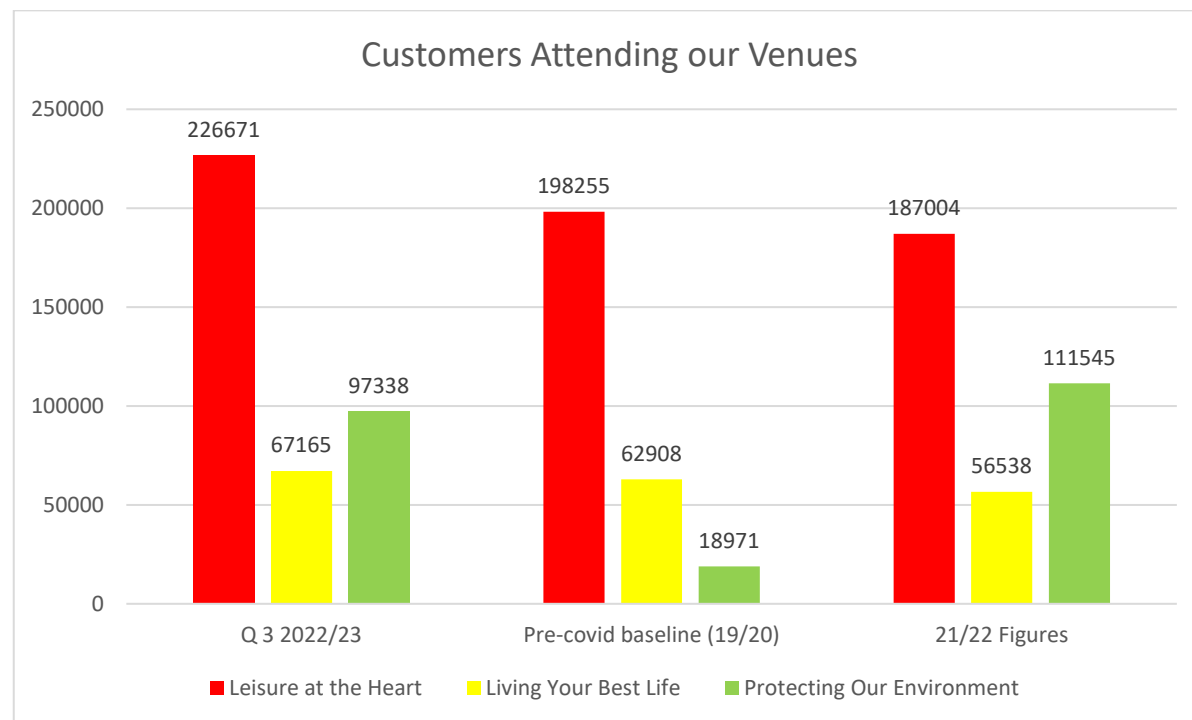
* All venues within **Leisure at the Heart** continue to perform exceptionally well. All venues with the exception of Auchinlek Leisure Centre (-14%) and Cumnock Library (-2%) demonstrated an increase against figures for the same period in 2021/22. The majority of venues have also now exceeded pre-covid figures with Rose Reilly Sports Centre, Doon Valley Leisure Centre and Auchinleck Library showing attendances significantly higher the same pre-covid figures. In total there has been an increase of 24% across all venues in this area compared to 2021/22.
* Many of the venues within the **Living Your Best Life** portfolio are performing very well compared to the same period in 2021/22 and. The Burns House Museum and Dick Institute have an increase of 234% and 29% respectively on the Q4 figures from 2021/22.
* **Protecting our Environment** is currently only recording figures for Dean Castle Country Park until new people counters are installed along the River Ayr Way. The new recording system has now been in place at the Country Park for over a year, allowing us to carry out year on year comparisons. The figures for quarter 4 of 22/23 are showing a decrease of 13% against the same period in 21/22.

Leisure at the Heart	Living Your Best Life	Protecting our Environment
Auchinleck Library	Dick Institute Museum	Dean Castle Country Park
Cumnock Library	Dean Castle	River Ayr Way
Darvel Library	Burns House Museum	
Newmilns Library	Burns Monument Centre	
Galston Library	Baird Institute	
Dick Institute Library	Doon Valley Museum	
Patna Library	Ayrshire Athletics Arena	
Drongan Library	Annanhill Golf Course	
Whatriggs Library		
Stewarton Library		
Crosshouse Library		
Stewarton Area Centre		
Boswell Centre		
Galston Community Centre		
Darvel Town Hall		
Morton Hall		
Cumnock Town Hall		
Auchinleck Leisure Centre		
Barony Sports Village		
Doon Valley Leisure Centre		
Rose reilly Sports Centre		
Loudoun Lesiure Centre		
Hunter Fitness Suite		
St Joseph's Leisure Centre		
Grange Leisure Centre		
William McIlvanney Leisure Centre		
E-books		
Mobile Services		
Football Pavilions		

Strategic Vision Performance Monitoring

The following performance indicators are aligned to our 10 year Strategic Vision

Performance Indicator	Quarter 1 Performance	Quarter 2 Performance	Quarter 3 Performance	Quarter 4 Performance	2022/23 Performance	2030 Strategic Aspirations
People attending our Venues	403,385	318,970	478,754	370,489	1.6 milion	2.9 million
People engaging in our programmes	Reports are currently being developed through the box office system and will be updated for Q2	A review of box office and booking system is now underway.				0.99 million
Our eastayrshireleisure.com online visitors	135,981	130,142	188,163	136,717	0.59 million	0.38 million
Online visitors to futuremuseums.com	43,350	49,213	53,248	52,048	0.20 million	0.25 million
Number of programmes for 12-25 year olds	14	21	18	11	54	30
Number of programmes for 65+	3	9	2	4	18	15
Number of local and regional events and exhibitions	30	19	10	2	61	40
Number of children engaged in our education programme	2675	1636	1949	389	6,649	20,000
Opportunities that we offer for volunteers and work placements	5	3	3	1	12	50
Our absence Levels	Average 2.98 days lost per employee	Average 4.16 days lost per employee	Average 2.82 days lost per employee	Average 3.11 days lost per employee	Average 3.27 days lost per employee	8 days / annum
Our staff turnover rates	2.7%	8.2%	5.8%	7.4%	6.0%	7-10%
Number of community initiatives that we support	12	7	10	2	31	30
Number of partnership projects we engage in	26	14	10	11	61	40
Carbon Footprint	Reported at end of financial year					990tCO2e

KEY UPDATES

Insurance Claims

The following information provides an update on the number of live claims in progress during the period January - March 2023**:-**

Public Liability	1x closed 1 x ongoing
Employers' Liability	1 x new
Motor Claim	1 x closed

Gifts & Hospitality

No gifts or hospitality were received during this period.

ORGANISATIONAL LEARNING

Organisational Learning is our new framework which analyses feedback from events and activities, staff and customer comments and complaints, venue visits, audits and external accreditation schemes. This process demonstrates our commitment for continuous improvement through collectively sharing and reviewing processes and procedures whilst also celebrating good practice and acknowledging where there are opportunities to learn.

Learning Theme	Recommendation/Notes	Action Required
Customer Care/Services	• Service and Staff praised for levels of customer care: - Mobile Library visiting schools, children enjoyed visit and have completed library membership forms. - Hospitality – bar staff were absolutely amazing, accommodating, happy and friendly.	• Service action required - Staff newsletter and individual staff to be notified.
	• Complaints re. customers receiving invoice reminders/final reminders where no initial invoices were issued.	• Service action required - Review process and system to make sure initial invoices are issued
	• Requests for refund of golf season ticket after injury/surgery, therefore resulting in season ticket not being used. • Length of time it took to get a response to initial enquiry.	• Service action required - Review refund policy in relation to Annanhill Golf Course
Health & Safety	• Minor accidents/injuries occurring while moving equipment. (Previously reported)	• Service action required - Policy awareness - Manual Handling Training
	• Staff being subjected to verbal abuse, concerned for their own safety, feeling intimated and/or threatened, public refusing to leave premises (Ongoing issue)	• Service action required - Violence & Aggression Risk Assessment - Staff awareness – do's & dont's - Conflict Handling Training

Customer Care	• As part of the transformation programme there are many new staff have recently joined or will join the organisation and there is now an opportunity to reinforce and improve our customer service standards and ensure continuity of customer service across the organisation	• Service action required - Customer service training (face to face)

Working Environment	• As part transformation there is now an opportunity to reinforce the culture and expectations of the organisation for all staff	• Service action required
		All line managers through progress meetings, team meetings B.E.S.T reviews and regular monitoring to ensure;
		
		  - All staff to have an up to date copy of their JoPS
		  - Ensure the organisations Equality, Diversity & Inclusion statement is visible in every workplace and is discussed with staff
		  - Ensure that the organisation's Vision Mission and Values are visible in every workplace and is discussed with staff
		  - All staff to be encouraged to read the staff newsletter.

	• Through regular audits and monitoring it has been identified that not all staff are aware of their responsibilities in relation to;
	
	  - Policies and Procedures
	  - Information security and Data Protection.
		- Service Action Required
		All line managers through progress meetings, team meetings, B.E.S.T reviews and regular monitoring to ensure;
		
		  - All staff are aware of, can access, read and understand relevant policies and practices
		  - All staff undertake Info Gov training and refresh that training as identified in the mandatory training matrix

Feedback from Exit Interviews will now be included within Organisational Learning, please make sure these are carried out.		

RISK REGISTER

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
1	There will be a reduction in funding received from East Ayrshire Council, resulting in a reduction in service provision and a requirement to generate more income from services.	Chief Officer	4	4	16 RISK APPETITE: CAUTIOUS (Compliance)	HIGH	• Financial Strategy • Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider. • 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.	Executive Managers & Development Managers	4	3	12 RISK APPETITE: OPEN (Reputation)	MEDIUM	• Strategic Vision • Corporate Delivery Plan 2022-24 • Financial Strategy • Continual monitoring of current economic conditions (post pandemic & cost of living) • Positive Public Relations • Equipment Replacement Programme • Continued dialogue with Council • Review of B.E.S.T. practise - 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 Delivery Plan targets and the loss of external funding.	Executive Managers & Development Managers	3	3	9 RISK APPETITE: OPEN (Reputation)	LOW	• Strategic Vision • Positive Public Relations • Service Level Agreements/Contracts

No.	Risk	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.	Executive Managers & Development Managers	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	• Dedicated Property & Estates Team • Regular communication with the Council • Business Continuity Plan • Regular Workplace inspections and reviews • Fire Risk Assessments • Established repairs reporting system • Proposed Asset Management Plan (EAC) ? • Capital Improvement Plan (EAC) ? • Environmental Management, Monitoring and reporting • Leisure Facility Strategy
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.	Executive Managers & Development Managers	4	3	12 RISK APPETITE: OPEN (Financial)	MEDIUM	• Dedicated Commercial Development Officer posts within organisational review 2023-24 • Attendance at Events • Recruitment and Selection procedure • Review of Best Practise • Training and development programme
6	There is a risk that East Ayrshire Leisure does not have the right people with the right skills in the right	Executive Managers &	3	2	6	LOW	• Dedicated Training & Engagement Officer • Training and Development Plan • Ongoing review of Training matrices • Induction Process

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	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.	Development Managers			RISK APPETITE: OPEN (Operation)		• Review of B.E.S.T. Practise • Recruitment and selection incl recruit to train for key roles • 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, GDPR, OSCR, VAT etc.	Executive Managers & Development Managers	1	4	4 RISK APPETITE: CAUTIOUS (Compliance)	LOW	• Training & Development Plan • Employee Information Awareness Sessions • Partnerships Working Groups • Service Level Agreement • Support from East Ayrshire Council
8	There is a risk that East Ayrshire Leisure will not be able to operate services due to a failure in IT systems including the Box Office and Booking System. This would result in a loss of income, not being able to meet community demand and reputational damage.	Executive Managers & Development Managers	2	4	8 RISK APPETITE: OPEN (Operation)	LOW	• Dedicated Systems Development Officer and IT Co-ordinator • Regular communication with Council's IT dept • Ongoing review of systems

CORPORATE DELIVERY PLAN

RECORD OF PROGRESS

QUARTER 4

JANUARY - MARCH

2022/23

Chief Officer	AF	Strategic Lead: Leisure at the Heart of Every Community	GR	Strategic Lead: Sharing Our Vision	DR
Executive Lead: People, Policy and Performance	JB	Strategic Lead: Living Your Best Life	Vacant	Strategic Lead: Creating a Solid Foundation for Growth	LR
Executive Lead: Place, Projects and Programmes	PM	Strategic Lead: Protecting our Environment	CK	Strategic Lead: Investing in our People and Embracing our Values	IP

🔴 - **No Progress**   🟡 - **Some Progress**   🟢 - **Complete**

SHARING OUR VISION			
Strategic Objective 1: To create a programme of community engagement activities which includes consultation with our customers and potential customers about existing and future facilities and services and to adopt a positive approach to feedback			
Output	**Lead**	**Progress**	**Comments**
1 Produce Customer Exchange programme	DR	🟢	Customer Exchange events have taken place, including tours of the Dean Castle. A Customer Exchange programme has been produced and is scheduled for implementation throughout 2023-24. This programme will look at opening hours, programming and joint/partnership working with community groups. This will be a combination of online surveys and sessions held within venues and will address each community and their needs separately, in line with the Leisure Facility Strategy and organisational review.
2 Produce Staff Exchange programme	DR	🟢	Staff Exchange events have taken place including tours of Dean Castle. 2023 Staff Exchange Event – this will take the form of 'Party at The Palace' on 1st July to mark our 10th anniversary. It will include film highlighting achievements and key activities over the past 10 years. All staff and volunteers will be invited. Development of Intranet and newsletters has also taken place including the addition of Organisational Learning, 'You Said, We Did…' and new sections in Working For Us. This gives staff direct access to up to date information.

Output		Lead	Progress	Comments
3	Embed new feedback mechanisms following programme of audit recommendations	DR	🟠	Initial meeting has taken place with Internal Audit; closure meeting taking place on the 24th April to discuss findings and where required recommendations will be implemented.
4	Create calendar of community engagement activity, utilising our Community Consultation Process	DR	🟢	Combine with Output 1 – all consultation now to be branded as 'Customer Exchange' programme
5	Produce and adopt a customer retention Strategy	DR	🟠	This will move under Creating a Solid Foundation for Growth, with a focus on Fitness Membership and will be the remit of the new Co-ordinator. Development Plan to be produced.

SHARING OUR VISION

Strategic Objective 2: To ensure our use of creative marketing-led activities effectively promote our high quality services, maximise customer engagement and make a real difference to how people view East Ayrshire Leisure Trust

Output		Lead	Progress	Comments
6	Design a Communications Strategy which delivers accessibility, diversity, equality and a multilingual approach	DR	🟠	Marketing Officer has become part of EAC's Gaelic Language Plan working group, representing the Trust. Will be completed 2024
7	Redesign and development of Future Museum to promote collections and services of South West Scotland	VACANT	🟠	Web design team has now been appointed and will work with local stakeholders on the new Future Museum website. Marketing Officer on working group.
9	Film and digital content created to promote all venues, service areas and opportunities	DR	🟠	Content has been produced for recruitment etc. which can be used as promotional material. Brief and tender for work will be issued Spring 23
10	Film and digital content created to tie in with hospitality/commercial lets, 'Community Spaces for hire'	DR	🟠	Work on this has started and will be divided into separate campaigns, for example, lets/parties/functions. Revamp

				'Venues' area within the website to ensure maximum coverage and explanations/specifics provided for each area
11	Create programme of tourism engagement and promotion whilst maintaining or improving accreditation ratings	DR	🟡	Following advisory visits from VisitScotland to Dean Castle Country Park and Dick Institute feedback/action points have been pulled together into action plan – points currently being addressed Plans in place with Ayrshire Food Network/Tourism Team to host quarterly food/Taste of Ayrshire market at the Dean. Opportunity for local suppliers to be used in VC shop/cafe Ayrshire & Arran Destination Alliance conference was attended

SHARING OUR VISION				
Strategic Objective 3: To work collaboratively with key partners and stakeholders in the development of programmes and activities whilst exploring innovative delivery models which ensure best value for our customers				
Output		**Lead**	**Progress**	**Comments**
12	Implement and promote the East Ayrshire Recreation Plan	CK	🟡	Before final publishing of the online maps, we will undertake a further 12 week public consultation. This will allow us to raise the profile of the recreation plan and ensure that we reach members of the community who might have been restricted due to covid. Completion date amended to August 23
13	Develop regional wide Cultural Strategy	VACANT	🟡	Work has begun to identify all potential partners who will be involved in the development of the strategy. A tender exercise has also been carried out to appoint a consultant to prepare an economic impact assessment of cultural activities in East Ayrshire that will inform the strategy priorities.
14	Engage with and support Community Leisure UK in the implementation of the Community UK Business Plan	AF	🟡	

SHARING OUR VISION			
Strategic Objective 4: To introduce customer service related performance targets			
Output	**Lead**	**Progress**	**Comments**
15 Benchmark customer service performance targets, identifying appropriate targets and mechanisms for capturing data.	DR	🟡	Review of Customer Protocols etc currently taking place to produce new comprehensive Customer Charter – will be complete Q1/2 2023 LGBF identifies family of similar Trust/Local Government group who we are benchmarked beside Customer Service Training has been completed through Visit Scotland and will now be rolled out across Organisation
16 Measure, monitor and report on key performance indicators annually	JB	🟢	A process has been developed and communicated to the Extended Management Team. Performance Monitoring Protocol will be finalised following feedback from Internal Audit.
17 Ensure service delivery meets standards required to secure quality marks.	PM	🟡	Doon Valley Leisure Centre has been externally verified by RLSS with us maintaining our Approved Training Centre Status.

LEISURE AT THE HEART OF EVERY COMMUNITY			
Strategic Objective 1: To work with community, local authority and private providers to develop a Leisure Facility Strategy that identifies all leisure provision throughout East Ayrshire and maximises the opportunities for our communities to participate in leisure activity			
Output	**Lead**	**Progress**	**Comments**
18 Develop a Plan for our Outdoor Spaces which supports priority sports, community activities, events and programmes	GR	🟠	A funding bid has been submitted to Sportscotland to develop an outdoor fitness space at Rose Reilly Sports Centre
19 Develop and implement rolling 5 year management plans for Annanhill Golf Course and the River Ayr Way	CK	🟠	Working with Sports Architect for course alterations at Annanhill Golf Course. Thereafter we will complete the 5 year management plan. Initial work plan is in place for the River Ayr Way and the team is working to complete all actions identified as priorities for year 1. Completion date for full 5 year management plan December 2023.
20 Work with key community partners to develop Business Plan for AM Brown Institute and Catrine Heritage Masterplan	AF	🟠	
21 Oversee implementation of the Doon Valley Way and the Lugar Water Trail as part of the Coalfield Communities Landscape Partnership	CK	🟠	The contractor is back on site working on the Lugar Water Trail.
22 Work with East Ayrshire Council to expand access arrangements at the Barony Sports Village to provide access to other community leisure facilities outwith core school hours.	GR	🟠	

	LEISURE AT THE HEART OF EVERY COMMUNITY			
	Strategic Objective 2: To work with partners to explore funding opportunities for refurbishment and development of leisure facilities			
Output		**Lead**	**Progress**	**Comments**
23	Develop a Studio at the Rose Reilly Sports Centre which enables power assisted, fully inclusive exercise	GR	🟡	EAC have confirmed the work has been delayed due to a change in team. This will now not be completed until Autumn 2023
24	Develop Business and Redevelopment Plan for Darvel Town Hall	GR	🟡	External consultants, Wylie Shanks, have presented initial plans to the Steering Group but more work required to get this ready for funding bids
25	Install community cinema facilities at Stewarton Area Centre to expand the programme	GR	🟡	Equipment has been ordered
26	Implement restoration and development plans for Galston Town Hall	GR	🟡	The proposals for Galston Town Hall have received planning permission. Works are likely to start on site in Summer 2023 with completion scheduled for Summer 2024.
27	Explore the potential for the repatriation of collections to specific Flexible Cultural Hub venues across the region	VACANT	🟡	Early discussions have taken place with Stewarton and District History Group regarding the development of a local museum and heritage centre within Stewarton Area Centre. This will allow access to collections and archives associated with the Annick Valley. The new heritage centre will open in June 2023
28	Develop and implement plans for the reopening of Doon Valley Museum as a Flexible Cultural Hub.	VACANT	🟢	The development of the Doon Valley Museum is included in the overall Doon Valley Masterplan. This has been developed to RIBA stage 2. This project has been put on hold until a review of Levelling Up Fund bids has been carried out and the introduction of the 9CC project in the area. This will no longer be delivered as part of the 2022-24 Corporate Delivery Plan

LEISURE AT THE HEART OF EVERY COMMUNITY			
Strategic Objective 3: To work with East Ayrshire Council in reviewing and refining repair and maintenance plans and schedules for all facilities within our remit which include an annual programme of planned maintenance and decoration			
Output	**Lead**	**Progress**	**Comments**
29 Develop and agree a proactive maintenance programme for each venue/facility	CK	🟢	A condition report for each pavilion has been submitted to ascertain the future of each one. Quarterly property management meeting schedule agreed and monthly maintenance meetings will now take place as site visits at trust venues.
31 Fulfil our obligations within East Ayrshire Council's Property Pledge	CK	🟢	Monthly maintenance meetings will now take place as site visits at trust venues.
LIVING YOUR BEST LIFE			
Strategic Objective 1: To support the development of sustainable pathways that encourage lifelong participation in leisure activities			
Output	**Lead**	**Progress**	**Comments**
32 Develop an East Ayrshire Leisure Sporting Pathways Action Plan	VACANT	🟢	The sporting Pathways Action Plan will be presented to the Board on the 30th May
34 Produce an Outdoor Learning Plan, which supports the school curriculum	CK	🟡	This has been extended and renamed a 'Learning Plan' to include all service areas that engage in educational activities. A promotional guide is being developed and will be launched with schools in the Spring 2023.

LIVING YOUR BEST LIFE			
Strategic Objective 2: To contribute to a programme of high profile regional and national events, exhibitions, programmes and projects, that are ambitious and outward facing, whilst maximising the impact on our customers and visitors			
Output	**Lead**	**Progress**	**Comments**
35 Establish Strategic Programming Group which will implement and support a community, regional and national programme of events each year	VACANT	🟠	The Programme Development Strategy was approved by the Board of Trustees on the 28th June. The strategic programming group will be led by the SL: Living Your Best Life who will be in post in July 2023
36 Implement an annual programme of outdoor festivals and events	VACANT	🟠	This will be incorporated into the work of the Strategic Programming Group as part of output 35
37 Produce a Business Case for building 500-1000 seater Stadium to attract national athletics programmes	VACANT	🔴	
40 Redesign, reimagine and deliver interpretation, interactives, animations, engagement and activity plans for Dean Castle including a re-opening event	VACANT	🟢	All interpretation was implemented and the Castle was opened to the public on the 1st April 2023
LIVING YOUR BEST LIFE			
Strategic Objective 3: To develop activities and services that contribute to the Scottish Government's aspirations for 'A Healthy and Active Nation' and 'A Creative, Open and Connected Nation' and to ensure that East Ayrshire Leisure is at the heart of future trends and initiatives			
Output	**Lead**	**Progress**	**Comments**
41 Develop place based lifestyle hub networks to provide pathways for communities to become more engaged in wellbeing activities.	GR	🟢	
42 Support the design and implementation of community-led creative initiatives	VACANT	🟠	

43	Deliver the Cultural Kilmarnock project which will include refurbishment and development of key heritage venues and spaces, green corridors between town centre heritage sites, encourage active travel and support green, cultural and heritage tourism	PM	🟢	£20m funding was approved by the UK Government in February 2023. Construction is scheduled for 2024/25 – 2025/26
44	Upgrade facilities at Annanhill Golf Course for expansion of female and youth golf	VACANT	🟠	This work is anticipated to start in Autumn 2023 A new golf management system is currently being sourced.

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES

Strategic Objective 1: To develop and embed our People Strategy so that employees at all levels, alongside our customers, partners and communities, are engaged and can contribute to the business.

	Output	Lead	Progress	Comments
45	Develop the staff intranet to enable a streamlined and digital approach to staff management	DR	🟠	Staff Intranet development campaigns will move forward to next Delivery Plan and sit under Sharing our Vision
46	Develop IT and Telephony Infrastructure to support new ways of working	IP	🟠	Work is in progress with EAC IT to identify implementation dates for the rollout of Microsoft 365 software and associated costs. Expected roll out mid-2023. Leisure Management & Ticketing System - A Commodity Strategy has been developed working alongside the EAC Procurement Officer. The Crown Commercial Services G – Cloud option was considered to be the most appropriate route in which to procure the systems.
47	Implement digitisation of Systems & Processes	IP	🟠	Housekeeping of Trust drives remains a priority. This will support the introduction of the new Trust drives to ensure accessibility to key documents. Working in conjunction with EAC IT trust network drive access and permissions are currently being developed to support the implementation of the organisational review.

#	Output	Lead	Progress	Comments
				On-line recruitment, via myjobscotland, was introduced to secure volunteers to support the opening of the Castle. This was a great success with 9 volunteers being secured for Castle Experience Assistant and 2 Kitchen Garden volunteers.
48	Produce a programme of engagement activities for employees and Trustee Ambassadors	DR	🟠	Initial engagement activities have taken place including tours of Dean Castle, Barony Campus, Cumnock Town Hall and Baird Institute. Recruitment and re-alignment of Ambassadors currently taking place. 'Meet The Teams' session being scheduled.
49	Develop Recognition Award Scheme for our Volunteers	IP	🟢	Decision has been taken to make this an annual event celebrating all our Volunteers and the work they do rather than highlighting an individual. The event will be held during National Volunteering Week. With this year's event taking place at the Dean Castle.

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES

Strategic Objective 2: To offer work placements, volunteering and apprenticeships

Output	Lead	Progress	Comments
50 Develop volunteering roles across all areas of the Trust	IP	🟢	The selection and induction process for volunteers has been developed and is now well established. Volunteer roles continue to be promoted with the following roles successfully being secured throughout 2022-23. • Cairn Table Hill Race Volunteer Role • River Ayr Way Challenge Volunteer Role • Outdoor Conservation Group (Friends of the Dean) • Kitchen Garden Volunteer Role • Castle Visitor Experience Volunteer Role • Spirit of Christmas Event Volunteer Role

				• Textile Team
51	Support the pathway to higher and further education and employment by establishing a programme of work experience at key venues	IP	🟡	Working in partnership with EAC to establish a process that be rolled out across Trust venues.
52	Identify and implement opportunities for internships or modern apprenticeships across Trust services	IP	🟡	Research into Foundation/Modern/Graduate Apprenticeships is underway. Conversations with key members of staff are taking place to determine the suitability for service areas and opportunities for individuals.
53	Establish a variety of volunteering placements for the Duke of Edinburgh award scheme	IP	🟢	All existing volunteer roles are available for Duke of Edinburgh award scheme, there may be age restrictions within some roles.
54	Ensure that monitoring and evaluation demonstrates the impact of our volunteering programme, taking a threefold approach: On the volunteer; on East Ayrshire Leisure; and on the services' users.	IP	🟡	A process had been developed which is currently being reviewed by Internal Audit. Recommendations will be considered and introduced where appropriate.

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES

Strategic Objective 3: To integrate our values into all aspects of our business including Review and Development programme, recruitment, training and meetings. To focus on skills, knowledge and experience in the development of our business and to ensure we invest in industry specialist training which is tailored to meet the needs of our programmes

Output		Lead	Progress	Comments
55	Establish an annual calendar of Open Days and development opportunities for staff, volunteers and members of our communities.	DR	🟡	Work has started, however a calendar won't be implemented until the organisational review is complete and all new service areas are fully operational.
56	Design an annual Training and Development programme to suit the needs of the service	DR	🟡	Monthly reports will be available detailing bank staff training

				Collate 'Reviewing BEST Practice' results – this has been delayed due to implementation of Organisational Review
57	Implement Organisational Redesign	AF	🟢	The organisational review that was approved by the Board of Trustees on 2 November 2021 has now been completed. Further service level reviews have been identified and will be presented to Board for approval as they are developed. The service reviews will follow a programme of community consultation.
58	Develop a proactive Recruitment Process	JB	🟠	Changes have been made to the format of adverts and publication within myjobscotland, with 'key activities' given more prominence.
59	Develop an Equality and Diversity Statement reflective of the values of East Ayrshire Leisure supporting the development and fair treatment of staff	JB	🟢	Statement developed and currently being reviewed by EAC Internal Audit as part of the audit plan 22-23.
60	Implement an Organisational Development Framework	JB	🟢	Key milestones have been met with regards to the implementation of the organisational redesign. Introduction of generic job roles, creation of key tasks, generic training matrices, development myjobscotland site. Updating of systems to reflect new structure eg HR 21, LD 21, payroll, civica, SHE system, website, intranet, Trust network drives etc. Rebranding of key documents; Policies, H&S Standards, Protocols, to reflect move to 6 Strategic Themes and change in designations.

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES			
Strategic Objective 4: To ensure that our Board of Trustees reflects the community we serve and the need to be both a charitable and commercial organisation			
Output	**Lead**	**Progress**	**Comments**
61 Design and annually review Training and Development Plan to support all Trustees	DR	🟠	A Trustee Induction Session was held which included a tour of key buildings. Trustee Training Record will be produced Training & Engagement Officer will meet Trustees individually on an annual basis to identify their training needs and requirements – November.
62 Review Recruitment Process ensuring that the Board of Trustees reflects and supports the aims, objectives and aspirations identified in the East Ayrshire Leisure Trust Constitution	DR	🟢	Trustee Induction Pack will be updated, scheme of delegation & meeting schedule. Trustee Ambassador roles have been developed in line with our 6 Strategic Themes. Trustees were originally matched to an Ambassador role based on their key skills, experience and interests however this is currently under review and all Trustees have received a preference form. Vacancies will be advertised following this review. New panel/method of recruitment is in place
63 Create and Implement a Youth Board	DR	🔴	This will be implemented as part of our 10th Anniversary programme of events/initiatives
64 Create and Implement a programme of Trustee Coffee Chats to engage with communities and customers	DR	🔴	These will be programmed following the implementation of Organisational Review in April 2023
65 Develop a programme of Trustee Ambassador site visits to engage with staff who act as community/customer spokespersons	DR	🔴	These will be programmed following the implementation of Organisational Review in April 2023

CREATING A SOLID FOUNDATION FOR GROWTH			
Strategic Objective 1: To review and continually improve and enhance our systems and processes to ensure that they are effective and appropriate in the transformation of our business			
Output	**Lead**	**Progress**	**Comments**
66 Review wifi across all our venues	IP	🟠	Auchinleck Boswell wi-fi is now fully operational with speeds of 20mb/second being reported. Awaiting updated quotes and timescales from North regarding the expansion of provision within Trust venues.
68 Develop website to include more online and interactive resources	DR	🟠	Development work has started looking at the online education resources. A Working Group has been established consisting of key members of staff from across the organisation. Factory 73 have been instructed to carry out development of the website, creating a new, dedicated education area and calendar Deancastlecountrypark.com has been developed and is now live
CREATING A SOLID FOUNDATION FOR GROWTH			
Strategic Objective 2: To develop a collaborative approach with relevant partners to explore wider opportunities that fit within the Trust's vision and values and to explore opportunities to share resources across all our services internally and with key stakeholders			
Output	**Lead**	**Progress**	**Comments**
70 Establish a liaison group at shared sites to ensure cross-service promotion and integrated working arrangements	GR	🟢	

71	Develop Business Plan for the Civic Centre South	AF	🟠	East Ayrshire Council has appointed an architect to begin work on some concept drawings for Civic Centre South. These will be used as the basis for the business case.
	CREATING A SOLID FOUNDATION FOR GROWTH			
	Strategic Objective 3: To maximise the return from commercial opportunities, especially around retail, hospitality and membership packages, so that we are in a position to fulfil our charitable obligations and become a sustainable organisation			
Output		**Lead**	**Progress**	**Comments**
72	Produce Retail Plan to identify opportunities across venues and organisational areas	LR	🟠	Retail has been reinstated within the Visitor Centre and appropriate items are being sourced to support the opening of the Dean Castle.
73	Develop a range of Membership Packages	LR	🟠	Direct Debit Membership for our Athletics Run, Jump and Throw programme has been launched with 80 members signing up.
74	Produce Hospitality Plan which identifies opportunities for bars, cafes, vending and event catering	LR	🟢	Hospitality Plan detailing proposed expansion of bars services across Trust venues approved by Board Feb 2023
75	Carry out the feasibility of developing the Dower House as a conference centre and event space	AF	🟠	The business case for the Dower House is intrinsically linked to the development of the Castle and the proposals for Civic Centre South and is being developed in parallel.
76	Produce Commercialisation Plan to identify opportunities across venues	LR	🟠	Commercial Development Officer has been appointed and will be in post March 23.
77	Produce Advertising Plan	DR	🔴	

CREATING A SOLID FOUNDATION FOR GROWTH			
Strategic Objective 4: To develop an effective performance management framework **Actions complete**			

PROTECTING OUR ENVIRONMENT			
Strategic Objective 1: To prepare and adopt a Climate Change Declaration on an annual basis which audits our carbon footprint and outlines priorities for carbon reduction			

Output	Lead	Progress	Comments
82 Produce an annual action plan to identify measures to reduce carbon use and improve environmental efficiency.	CK	🟡	Draft document ready for stakeholder feedback April 23.
83 Establish a carbon offset strategy through woodland creation	CK	🔴	
84 Produce programme for replacing Trust vehicles with electric or more sustainable alternatives	CK	🟢	Information being gathered as per Output 30
85 Develop Climate Change Strategy to achieving Net Zero	CK	🟡	

PROTECTING OUR ENVIRONMENT			
Strategic Objective 2: To adopt the principles of Visit Scotland's Green Tourism Business Scheme to reduce the environment impact of our business			

Output	Lead	Progress	Comments
86 Develop an action plan to adopt the principles of the Green Business Scheme	CK	🔴	
87 Introduce waste recycling across Trust venues	CK	🔴	

| 88 | Introduce a hospitality deposit return scheme to address new guidelines | LR | 🔴 | Scheme has been delayed till March 2024 – Hospitality DO and Sustainability DO are working together to ensure the Trust meets all the requirements of the scheme. |

PROTECTING OUR ENVIRONMENT			
Strategic Objective 3: To implement a Sustainable Transport Strategy which encourages active travel in all our operations and with our staff and customers			
Output	Lead	Progress	Comments
89	Develop an organisational wide Sustainable Transport Plan and embed the principles of Active and Sustainable Travel throughout our organisation, projects and programmes	CK	🔴	
90	Carry out a programme of staff and customer awareness sessions	CK	🔴	
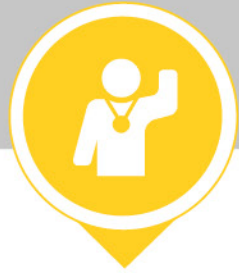
FINANCIAL PERFORMANCE

QUARTER 4

JANUARY – MARCH

2022/23

CONTENTS

Notes:

All financial figures are cumulative to the current quarter and projected to the end of the financial year, i.e Qtr 3 shows the actual amounts for Qtr 3, combined with projections up to the end of March 2023.

The 1st paragraph is a brief statement which summarises the current financial position.

The 'Annual Budget Table' reconciles the annual budget for the Trust. The budget is initially reported to the Board in February for the upcoming financial year, but there are often adjustments throughout the year. This table provides a reconciliation from initial February report to the current report.

FINANCIAL PERFORMANCE KEY

ADVERSE:		FAVOURABLE:	

SUMMARY STATEMENT

The actual outturn for East Ayrshire Leisure at 31st March 2023 is a favourable position of £318,112 which will be reduced to £201,232 following designation of items below totalling £116,880.

This position has been achieved due to vacancies, income performance being better than anticipated particularly for the panto, management actions to minimise expenditure and maximising opportunities for external funding throughout the year.

Detailed explanation of variances can be found within individual Service Analysis.

The following items require funding designated for the future financial year to support service improvement and development.

Items for Designation	
Uniforms	35,000
DCCP Equipment & Works (incl Recycling & Dog Waste Bins)	5,800
Pole Vault Mat - AAA (cost £13,850 less 22/23 depn £2,770 = £11,080)	11,080
Security Costs - Palace & Grand Hall	60,000
Dean Castle - Visitor Safety Measures	5,000
TOTAL	**£116,880**

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 2022/23 savings approved at 22nd February 2022 Board.

Service Division	Annual Budget 2022/23	Annual Budget 2022/23 Qtr 1	Annual Budget 2022/23 Qtr 2	Annual Budget 2022/23 Qtr 3	Annual Budget 2022/23 Qtr 4	Comments
EXECUTIVE MANAGEMENT	1,245,680	1,325,420	1,337,780	1,329,520	1,516,920	
CULTURAL DEVELOPMENT	1,466,890	1,501,660	1,498,790	1,585,910	1,631,180	
COMMUNITY & PERFORMING ARTS DEVELOPMENT	425,390	435,830	435,120	476,360	604,620	
LEISURE DEVELOPMENT	615,770	634,610	640,370	684,330	720,490	
SPORTS DEVELOPMENT	609,690	717,890	743,900	883,760	984,890	
PROPERTY & ESTATES DEVELOPMENT	187,430	201,390	201,390	212,010	212,010	
SAVINGS TO BE ALLOCATED	0					
TOTAL	4,550,850	4,816,800	4,857,350	5,171,890	5,670,110	
Management Fee	(4,550,850)	(4,777,660)	(4,798,390)	(5,069,470)	(5,531,870)	
Reserves	0	(39,140)	(138,240)	(102,420)	(138,240)	
TOTAL	0	0	0	0	0	

Venues Allocated to Sport Areas:-

Community Sports Area 1 — Grange Leisure Centre, St Josephs Leisure Centre, William McIlvanney Campus, Stewarton Sports Centre, Ayrshire Athletics Arena, Scott Ellis Pavilion

Community Sports Area 2 — Auchinleck Leisure Centre, Doon Valley Leisure Centre, Loudoun Leisure Centre, Hunter Fitness Suite, Barony Campus, Annanhill Golf Course

Sports Temporary Facilities — Venues temporarily held by EALT, operating under management arrangements with community groups, funded by EAC

OVERALL NET POSITION

Notes:

Tables A and B present financial information in different formats:

TABLE A: Overall Net Position (including Income/Expenditure) for Trust analysed by Service Area
TABLE B: Overall Net Position (including Income/Expenditure) for Trust analysed by Subjective Level

For all tables

Columns 1 and 2 refer to information for prior year; 1st column provides prior year information for same period and the 2nd column provides final position for full prior year
Column 3 refers to the Service Areas
Column 4 provides the Annual Budget – this reconciles to the Annual Budget table above
Column 5 provides the Actuals to date (including commitments)
Column 6 provides Actual Expenditure as a % of Annual Budget
Column 7 provides anticipated projected position for end of financial year
Column 8 provides anticipated projected variance for current financial year – (Favourable)/Adverse)

Final column provides quick review of favourable/adverse position

TABLE A – OVERALL NET POSITION

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	Service Division	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/23	Variance (Favourable) / Adverse	
1,271,227	1,271,227	**EXECUTIVE MANAGEMENT**	1,516,920	1,407,388	93%	1,407,388	(109,532)	
927,465	927,465	Corporate Services	1,106,870	994,448	90%	994,448	(112,422)	
332,586	332,586	Relationship & Business Development	428,480	396,262	92%	396,262	(32,218)	
11,177	11,177	Hospitality Development	(18,430)	16,678	-90%	16,678	35,108	
1,459,442	1,459,442	**CULTURAL DEVELOPMENT**	1,631,180	1,510,589	93%	1,510,589	(120,591)	
280,864	280,864	Cultural Development	301,300	219,027	73%	219,027	(82,273)	
121,783	121,783	Collection Care	112,790	96,069	85%	96,069	(16,721)	
31,623	31,623	Visual Arts Development	41,670	38,302	92%	38,302	(3,368)	
124,510	124,510	Museums Development	152,870	147,506	96%	147,506	(5,364)	
900,661	900,661	Libraries	1,022,550	1,009,685	99%	1,009,685	(12,865)	
480,694	480,694	**COMMUNITY & PERFORMING ARTS DEVELOPMENT**	604,620	623,201	103%	623,201	18,581	
206,584	206,584	Performing Arts Development	257,150	172,785	67%	172,785	(84,365)	
269,971	269,971	Community Development	360,970	446,861	124%	446,861	85,891	
4,139	4,139	Community Lettings & Co-Managed Centres - Lets	(13,500)	3,554	-26%	3,554	17,054	
566,145	566,145	**LEISURE DEVELOPMENT**	720,490	621,555	86%	621,555	(98,935)	
111,316	111,316	Leisure Development	171,320	78,268	46%	78,268	(93,052)	
406,336	406,336	Countryside & Visitors Development	506,620	500,555	99%	500,555	(6,065)	
48,292	48,292	Green Infrastructure Development	42,550	42,732	100%	42,732	182	
201	201	Volunteer Development	0	0		0	0	
817,724	817,724	**SPORTS DEVELOPMENT**	988,135	1,001,585	101%	1,001,585	13,450	
193,956	193,956	Sports Development Team	54,220	(17,586)	-32%	(17,586)	(71,806)	
200,210	200,210	Community Sports Area 1	329,525	398,656	121%	398,656	69,131	
397,989	397,989	Community Sports Area 2	560,460	585,374	104%	585,374	24,914	
9,576	9,576	Temporary Facilities	14,940	15,016	101%	15,016	76	
15,992	15,992	Football Venues	28,990	20,125	69%	20,125	(8,865)	
177,918	177,918	**PROPERTY & ESTATES DEVELOPMENT**	212,010	190,911	90%	190,911	(21,099)	
4,773,150	4,773,150	**TOTAL**	5,673,355	5,355,228	94%	5,355,228	(318,127)	
(4,966,113)	(4,966,113)	**Management Fee**	(5,531,870)	(5,531,855)	100%	(5,531,855)	15	
(192,963)	(192,963)	**TOTAL**	141,485	(176,627)		(176,627)	(318,112)	
(18,305)	(18,305)	**Trs From Reserves**	(141,485)	(141,485)	100%	(141,485)	0	
(211,268)	(211,268)	**TOTAL (after transfer from reserves)**	0	(318,112)		(318,112)	(318,112)	
(244,377)	(244,377)	**External Funding**	0	0		0	0	
(455,644)	(455,644)	**TOTAL (after external funding)**	0	(318,112)	0	(318,112)	(318,112)	

TABLE B – OVERALL NET POSITION

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	Service Division	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/23	Variance (Favourable) / Adverse	
(1,576,461)	(1,576,461)	Income From Charitable Activities	(2,291,460)	(2,357,688)	103%	(2,357,688)	(66,228)	
(4,966,113)	(4,966,113)	Management Fee	(5,531,870)	(5,531,855)	100%	(5,531,855)	15	
(244,377)	(244,377)	External Funding	0	0		0	0	
(6,786,951)	**(6,786,951)**	**TOTAL INCOME**	**(7,823,330)**	**(7,889,543)**	**101%**	**(7,889,543)**	**(66,213)**	
4,715,489	4,715,489	Employee Costs	5,663,530	5,328,720	94%	5,328,720	(334,810)	
40,318	40,318	Transport Costs	40,370	67,483	167%	67,483	27,113	
546,910	546,910	Premises Costs	833,830	846,879	102%	846,879	13,049	
757,089	757,089	Supplies & Services	1,084,305	1,087,386	100%	1,087,386	3,081	
8,360	8,360	Financing Costs	27,760	30,530		30,530	2,770	
187,400	187,400	Support Costs	187,400	187,400		187,400	0	
94,045	94,045	Governance Costs	127,620	164,518	129%	164,518	36,898	
6,349,611	**6,349,611**	**TOTAL RESOURCES EXPENDED**	**7,964,815**	**7,712,916**	**97%**	**7,712,916**	**(251,899)**	
(437,339)	(437,339)	**NET POSITION**	141,485	(176,627)		(176,627)	(318,112)	
(18,305)	(18,305)	**Trs From Reserves**	(141,485)	(141,485)	100%	(141,485)	0	
(455,644)	(455,644)	**TOTAL (after transfer from reserves)**	0	(318,112)		(318,112)	(318,112)	

<u>Notes</u>

The following individual Service tables provide analysis in both formats; by sub-service and by subjective level, followed by a summarised comments section for each Service area.

EXECUTIVE MANAGEMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	EXECUTIVE MANAGEMENT	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/23	Variance (Favourable) / Adverse
927,465	927,465	Corporate Services	1,106,870	994,448	90%	994,448	(112,422)
332,586	332,586	Relationship & Business Development	428,480	396,262	92%	396,262	(32,218)
11,177	11,177	Hospitality Development	(18,430)	16,678	-90%	16,678	35,108
(244,377)	(244,377)	External Funding	0	0		0	0
(4,966,113)	(4,966,113)	Management Fee	(5,531,870)	(5,531,855)	100%	(5,531,855)	15
(4,220)	(4,220)	**Trs From Reserves**	(62,190)	(62,190)		(62,190)	0
(3,943,482)	(3,943,482)	**TOTAL OBJECTIVE ANALYSIS**	(4,077,140)	(4,186,657)	103%	(4,186,657)	(109,517)
(233,277)	(233,277)	Income From Charitable Activities	(360,040)	(461,633)	128%	(461,633)	(101,593)
(4,966,113)	(4,966,113)	Management Fee	(5,531,870)	(5,531,855)	100%	(5,531,855)	15
(244,377)	(244,377)	External funding	0	0		0	0
(5,443,767)	(5,443,767)	**TOTAL INCOME**	(5,891,910)	(5,993,488)	102%	(5,993,488)	(101,578)
1,055,148	1,055,148	Employee Costs	1,283,420	1,242,991	97%	1,242,991	(40,429)
0	0	Transport Costs	0	220		220	220
5,545	5,545	Premises Costs	12,590	15,468	123%	15,468	2,878
226,072	226,072	Supplies & Services	357,450	372,844	104%	372,844	15,394
0	0	Financing Costs	0	0		0	0
187,400	187,400	Support Costs	187,400	187,400		187,400	0
30,340	30,340	Governance Costs	36,100	50,098	139%	50,098	13,998
1,504,505	1,504,505	**TOTAL RESOURCES EXPENDED**	1,876,960	1,869,021	100%	1,869,021	(7,939)
(3,939,262)	(3,939,262)	**NET POSITION**	(4,014,950)	(4,124,467)	103%	(4,124,467)	(109,517)
(4,220)	(4,220)	**Trs From Reserves**	(62,190)	(62,190)		(62,190)	0
(3,943,482)	(3,943,482)	**TOTAL (after transfer from reserves)**	(4,077,140)	(4,186,657)	103%	(4,186,657)	(109,517)

Comments

Executive Management encompasses Trust Board, Chief Officer and Corporate Services. Corporate Services has responsibility for the following areas: Relationship & Business Development, Finance & Business Development, Business Support and Hospitality. The Hospitality Service operates across all operational services.

Corporate Services
Favourable variance relates to income from EAC relating to provision of Active Club membership and management actions partially offset by appointment of Head of Operations.

Relationship & Business Development
Small favourable variance relates to an underspend on Training due to majority of training being delivered in house and management actions to maximise external funding.

Hospitality
Adverse position relates to shortfall in income and rising costs of provisions. Management action is being taken to minimise impact for future.

CULTURAL DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	CULTURAL DEVELOPMENT	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/23	Variance (Favourable) / Adverse
280,864	280,864	Cultural Development	301,300	219,027	73%	219,027	(82,273)
121,783	121,783	Collection Care	112,790	96,069	85%	96,069	(16,721)
31,623	31,623	Visual Arts Development	41,670	38,302	92%	38,302	(3,368)
124,510	124,510	Museums Development	152,870	147,506	96%	147,506	(5,364)
900,661	900,661	Libraries	1,022,550	1,009,685	99%	1,009,685	(12,865)
(3,765)	(3,765)	**Trs From Reserves**	(6,100)	(6,100)	100%	(6,100)	0
1,455,677	**1,455,677**	**TOTAL OBJECTIVE ANALYSIS**	**1,625,080**	**1,504,489**	**93%**	**1,504,489**	**(120,591)**
(69,619)	(69,619)	Income From Charitable Activities	(89,190)	(101,893)	114%	(101,893)	(12,703)
(69,619)	**(69,619)**	**TOTAL INCOME**	**(89,190)**	**(101,893)**	**114%**	**(101,893)**	**(12,703)**
1,156,810	1,156,810	Employee Costs	1,265,760	1,158,205	92%	1,158,205	(107,555)
12,059	12,059	Transport Costs	11,980	23,084	193%	23,084	11,104
142,900	142,900	Premises Costs	189,490	197,037	104%	197,037	7,547
209,950	209,950	Supplies & Services	236,650	220,741	93%	220,741	(15,909)
0	0	Financing Costs	0	0		0	0
0	0	Support Costs	0	0		0	0
7,341	7,341	Governance Costs	16,490	13,416	81%	13,416	(3,074)
1,529,060	**1,529,060**	**TOTAL RESOURCES EXPENDED**	**1,720,370**	**1,612,482**	**94%**	**1,612,482**	**(107,888)**
1,459,442	**1,459,442**	**NET POSITION**	**1,631,180**	**1,510,589**	**93%**	**1,510,589**	**(120,591)**
(3,765)	(3,765)	**Trs From Reserves**	(6,100)	(6,100)	100%	(6,100)	0
1,455,677	**1,455,677**	**TOTAL (after transfer from reserves)**	**1,625,080**	**1,504,489**	**93%**	**1,504,489**	**(120,591)**

Comments

Cultural Development has responsibility for the operation of museums, EAC collections, statutory library provision and the creative programming across all venues with a particular focus on museums, libraries, visual arts and exhibitions. The team is made up of key service areas: Collection Care Development, Visual Arts Development, Museums Development, Libraries Operations and Libraries Programmes.

Cultural Development - Overall
£120.6k favourable net position predominantly from vacancies not being filled and public donations for libraries and museums.

COMMUNITY & PERFORMING ARTS DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	COMMUNITY & PERFORMING ARTS DEVELOPMENT	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/23	Variance (Favourable) / Adverse
206,584	206,584	Performing Arts Development	257,150	172,785	67%	172,785	(84,365)
269,971	269,971	Community Development	360,970	446,861	124%	446,861	85,891
4,139	4,139	Community Lettings & Co-Managed Centres - Lets	(13,500)	3,554	-26%	3,554	17,054
(1,850)	(1,850)	**Trs From Reserves**	(4,370)	(4,370)		(4,370)	0
478,844	478,844	**TOTAL OBJECTIVE ANALYSIS**	600,250	618,831	103%	618,831	18,581
(353,388)	(353,388)	Income From Charitable Activities	(628,340)	(707,397)	113%	(707,397)	(79,057)
(353,388)	(353,388)	**TOTAL INCOME**	(628,340)	(707,397)	113%	(707,397)	(79,057)
424,329	424,329	Employee Costs	563,900	617,843	110%	617,843	53,943
0	0	Transport Costs	0	0		0	0
204,333	204,333	Premises Costs	346,350	345,210	100%	345,210	(1,140)
169,835	169,835	Supplies & Services	271,840	305,577	112%	305,577	33,737
4,370	4,370	Financing Costs	4,370	4,370		4,370	0
0	0	Support Costs	0	0		0	0
31,214	31,214	Governance Costs	46,500	57,598	124%	57,598	11,098
834,082	834,082	**TOTAL RESOURCES EXPENDED**	1,232,960	1,330,598	108%	1,330,598	97,638
480,694	480,694	**NET POSITION**	604,620	623,201	103%	623,201	18,581
(1,850)	(1,850)	**Trs From Reserves**	(4,370)	(4,370)		(4,370)	0
478,844	478,844	**TOTAL (after transfer from reserves)**	600,250	618,831	103%	618,831	18,581

Comments

Community & Performing Arts Development has responsibility for Cumnock Town Hall, the Palace Theatre and Grand Hall and Community Venues across East Ayrshire and works with a range of local, regional, national providers and commercial companies to deliver high profile events and opportunities through our full range of venues with both a local and regional focus. The team is made up of 2 key service areas: Performing Arts Development and Community Development.

Community & Performing Arts Development - Overall
£79k net favourable income position due to panto. £97.6k overspend projecting across expenditure relating mostly to staffing required for community venues and panto.

LEISURE DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	LEISURE DEVELOPMENT	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/3/23	Variance (Favourable) / Adverse
111,316	111,316	Leisure Development	171,320	78,268	46%	78,268	(93,052)
406,336	406,336	Countryside & Visitors Development	506,620	500,555	99%	500,555	(6,065)
48,292	48,292	Green Infrastructure Development	42,550	42,732	100%	42,732	182
201	201	Volunteer Development	0	0		0	0
(6,010)	(6,010)	**Trs From Reserves**	(7,520)	(7,520)		(7,520)	0
560,135	560,135	**TOTAL OBJECTIVE ANALYSIS**	712,970	614,035	86%	614,035	(98,935)
(21,366)	(21,366)	Income From Charitable Activities	(56,160)	(30,748)	55%	(30,748)	25,412
(21,366)	(21,366)	**TOTAL INCOME**	(56,160)	(30,748)	55%	(30,748)	25,412
474,874	474,874	Employee Costs	623,060	481,465	77%	481,465	(141,595)
17,220	17,220	Transport Costs	19,930	29,554	148%	29,554	9,624
53,918	53,918	Premises Costs	74,150	86,121	116%	86,121	11,971
30,070	30,070	Supplies & Services	35,090	40,463	115%	40,463	5,373
2,010	2,010	Financing Costs	7,520	7,520		7,520	0
0	0	Support Costs	0	0		0	0
9,419	9,419	Governance Costs	16,900	7,181	42%	7,181	(9,719)
587,512	587,512	**TOTAL RESOURCES EXPENDED**	776,650	652,303	84%	652,303	(124,347)
566,145	566,145	**NET POSITION**	720,490	621,555	86%	621,555	(98,935)
(6,010)	(6,010)	**Trs From Reserves**	(7,520)	(7,520)		(7,520)	0
560,135	560,135	**TOTAL (after transfer from reserves)**	712,970	614,035	86%	614,035	(98,935)

Comments

Leisure Development has responsibility over more passive recreation and outdoor pursuits that introduce people to physical activity. The team includes the following services: Countryside & Visitor Development, Green Infrastructure and Volunteer Development.

Leisure Development - Overall
£25.4k income shortfall relates to the residential centre, events and professional services income which is based purely on demand for building bat and bird survey work before demolition. This income shortfall has been funded by £124.3k in expenditure savings relating predominantly to vacancies not being filled.

SPORTS DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	SPORTS DEVELOPMENT	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/23	Variance (Favourable) / Adverse
193,956	193,956	Sports Development Team	54,220	(17,586)	-32%	(17,586)	(71,806)
200,210	200,210	Community Sports Area 1	329,525	398,656	121%	398,656	69,131
397,989	397,989	Community Sports Area 2	560,460	585,374	104%	585,374	24,914
9,576	9,576	Temporary Facilities	14,940	15,016	101%	15,016	76
15,992	15,992	Football Venues	28,990	20,125	69%	20,125	(8,865)
(2,460)	(2,460)	**Trs From Reserves**	(61,305)	(61,305)		(61,305)	0
815,264	815,264	**TOTAL OBJECTIVE ANALYSIS**	926,830	940,280	101%	940,280	13,450
(898,810)	(898,810)	Income From Charitable Activities	(1,157,730)	(1,056,017)	91%	(1,056,017)	101,713
(898,810)	(898,810)	**TOTAL INCOME**	(1,157,730)	(1,056,017)	91%	(1,056,017)	101,713
1,437,221	1,437,221	Employee Costs	1,732,270	1,647,707	95%	1,647,707	(84,563)
10,291	10,291	Transport Costs	5,710	13,214	231%	13,214	7,504
137,217	137,217	Premises Costs	208,250	200,049	96%	200,049	(8,201)
114,095	114,095	Supplies & Services	172,135	141,767	82%	141,767	(30,368)
1,980	1,980	Financing Costs	15,870	18,640		18,640	2,770
0	0	Support Costs	0	0		0	0
15,731	15,731	Governance Costs	11,630	36,225	311%	36,225	24,595
1,716,534	1,716,534	**TOTAL RESOURCES EXPENDED**	2,145,865	2,057,602	96%	2,057,602	(88,263)
817,724	817,724	**NET POSITION**	988,135	1,001,585	101%	1,001,585	13,450
(2,460)	(2,460)	**Trs From Reserves**	(61,305)	(61,305)		(61,305)	0
815,264	815,264	**TOTAL (after transfer from reserves)**	926,830	940,280	101%	940,280	13,450

Comments

Sports Development has responsibility for programming activities within our community leisure centres and promotion of sports including badminton, football, gymnastics and swimming, as well as working with key local partners. The team manages our gyms and fitness programme and will work with EA Vibrant Communities in encouraging physical activity. The team has key service areas: Sport Operations, Community Sport Development, Fitness Development and Activity and Coaching Development.

Sports Development - Overall
£101.7k income shortfall due predominantly to income shortfalls projected across indoor hall hire, supervised childrens activities, equipment hire, PAYG fitness classes and gym income offset against the following which exceeded targets: indoor/outdoor track, memberships, community space and swimming lessons. Income shortfall offset against £88.3k savings across expenditure mostly due to vacant posts.

PROPERTY & ESTATES DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/03/22	Actual Out-turn to 31/03/22	PROPERTY & ESTATES DEVELOPMENT	Annual Estimate 2022/23	Revised Actual Exp. to 31/3/23	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/3/23	Variance (Favourable) / Adverse
177,918	177,918	Property & Estates Development	212,010	190,911	90%	190,911	(21,099)
0	0	**Trs From Reserves**	0	0		0	0
177,918	177,918	**TOTAL OBJECTIVE ANALYSIS**	212,010	190,911	90%	190,911	(21,099)
0	0	Income From Charitable Activities	0	0		0	0
0	0	**TOTAL INCOME**	0	0		0	0
167,107	167,107	Employee Costs	195,120	180,510	93%	180,510	(14,610)
748	748	Transport Costs	2,750	1,411	51%	1,411	(1,339)
2,997	2,997	Premises Costs	3,000	2,995	100%	2,995	(5)
7,067	7,067	Supplies & Services	11,140	5,995	54%	5,995	(5,145)
0	0	Financing Costs	0	0		0	0
0	0	Support Costs	0	0		0	0
0	0	Governance Costs	0	0		0	0
177,918	177,918	**TOTAL RESOURCES EXPENDED**	212,010	190,911	90%	190,911	(21,099)
177,918	177,918	**NET POSITION**	212,010	190,911	90%	190,911	(21,099)
0	0	**Trs From Reserves**	0	0		0	0
177,918	177,918	**TOTAL (after transfer from reserves)**	212,010	190,911	90%	190,911	(21,099)

Comments

Property & Estates Development was a new service area created 2020/21 as part of the management review and has responsibility for co-ordinating the management, maintenance, health and safety and development of the facilities within East Ayrshire Leisure's remit. Maintaining and developing high quality facilities is paramount for the growth of our business. The team includes facility and estate management and sustainable development and will lead on our environmental responsibilities through the implementation of our annual Climate Change Declaration. The creation of this dedicated team has released managers from various premise management responsibilities to allow them to focus on the development of the programmes and services to our customers.

Property & Estates Development - Overall
£21k expenditure savings predominantly due to employee cost savings as a result of posts being vacant within the service and further management actions within supplies and services.

RESERVES AS AT 31 MARCH 2023

Notes

The Reserves Table provides detail on the current Reserves position for the Trust

The 1st table is a summary report and the 2nd table provides analysis of the committed amounts from Reserves

Line 1 Retained Reserves refers to our Reserves Policy – currently set to "minimum 2% of Turnover".

Line 2 refers to Unallocated Reserves – this amount will initially be allocated to fund any in-year deficit and then to any additional spend approved by The Board.

Line 3 Allocated Reserves refers to allocated amounts and the 2nd table provides further analysis of progress on these commitments

Line 4 MGTR refers to Museum and Galleries Tax Relief received and this must be used to help fund future exhibitions

Lines 5 & 6 refer to specific accounting entries required each financial year

Summary

UNRESTRICTED RESERVES	2021/22 b/f	2021/22 SURPLUS	BALANCE 31 March 2022	APPROVED ALLOCATIONS	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	NOTES
RETAINED RESERVES	250,000	20,000	270,000		270,000						270,000	
UNUSEABLE RESERVES	21,540	10,050	31,590	96,962	128,552					27,760	100,792	
UNALLOCATED RESERVES	379,689	132,014	511,703	-146,000	365,703						365,703	
ALLOCATED RESERVES	8,375	293,580	301,955	100,200	402,155		39,135	19,820	43,460	11,305	288,435	see Allocated Table
MGTR FUNDS	67,703		67,703		67,703		(1,669)				69,372	£5k allocated Board 21.02.23 - Open Exhibition
FIXED ASSET RESERVE	34,920		34,920		34,920						34,920	
HOLIDAY PAY PROVISION	(60,874)		(60,874)		(60,874)						(60,874)	
TOTAL UNRESTRICTED RESERVES	701,353	455,644	1,156,998	51,162	1,208,159	0	37,466	19,820	43,460	39,065	1,068,348	

Allocated Reserves Analysis

ALLOCATED RESERVES	2021/22 b/f	2021/22 SURPLUS	BALANCE 31 March 2022	APPROVED ALLOCATIONS	REVISED BALANCE	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
IT Equipment - Corporate Services	2,800		2,800	2,200	5,000					5,000	1 June 2021 Board	Ongoing	
Libraries - Lorensbergs Netloan Upgrade	1,600		1,600		1,600				1600	0	1 June 2021 Board	Complete	
Box Office/Booking System	3,975		3,975		3,975					3,975	1 June 2021 Board	Ongoing	
Sport Equipment & Repairs		4,335	4,335		4,335		1,090		3245	0	28 June 2022 Board	Complete	
Secure Portal Upgrade		4,880	4,880		4,880					4,880	28 June 2022 Board	Ongoing	
DCCP Canopy - additional works (incl replacement furniture)		14,500	14,500		14,500		10,000	3,560		940	28 June 2022 Board	Ongoing	
People Counters		3,000	3,000		3,000					3,000	28 June 2022 Board	Ongoing	
Venue Equipment		3,000	3,000		3,000					3,000	28 June 2022 Board	Ongoing	
Box Office/Booking System		12,000	12,000	-2,200	9,800					9,800	28 June 2022 Board	Ongoing	
Valuations		4,000	4,000		4,000					4,000	28 June 2022 Board	Ongoing	
Equipment Replacement Programme		200,000	200,000	-45,800	154,200				6460	147,740	28 June 2022 Board	Ongoing	Allocation approved by Executive Management; £45.8k transferred to Unuseable Reserves
Wellbeing Initiatives - EA Gift Cards to staff				45,000	45,000			28,200		16,800	4 October 2022 Board	Ongoing	
Event Management				43,500	43,500			11,700		31,800	22 November 2022 Board	Ongoing	

Item											Date	Status
Facility Management Support (1 FTE)				27,500	27,500					27,500	21 February 2023 Board	Ongoing
10th Anniversary Events and Initiatives				30,000	30,000					30,000	21 February 2023 Board	
Spin Bikes - RRSC		34,635	34,635		34,635	34,635				0	28 June 2022 Board	Complete
RAW Signage (partially funded by SAC - SAC funds received 21/22 but deferred to 22/23)		8,730	8,730		8,730		8,730			0	28 June 2022 Board	Complete
Ebooks		4,500	4,500		4,500	4,500				0	28 June 2022 Board	Complete
TOTAL ALLOCATED RESERVES	8,375	293,580	301,955	100,200	402,155	39,135	19,820	43,460	11,305	288,435		

GENERAL PROJECTS

Notes:

General Projects are multi-annual projects involving funding from external partners. These projects are not included in the Financial Monitoring reports. The table gives an overview of the projects and the Additional Information gives a brief description of each of the projects.

Project	Partners	Balance b/f 01.04.22	Balance at 31.03.23	Expected Completion Date
Ayrshire Libraries Forum	North Ayrshire Council/South Ayrshire Council/East Ayrshire Council	(£3,909)	(£3,819)	Ongoing
Burns Birthday in Mauchline	Event Scotland	(£861)	(£861)	Ongoing
Kilmarnock Green Infrastructure	Sustrans	(£14,955)	(£14,955)	Ongoing
Digital Storyteller in Residence	Scottish Book Trust	(£2,372)	(£2,372)	Ongoing
Irvine Valley Trails 2019 onwards	LCTT, Transport Scotland, EAC Renewable Energy Fund	£160,950	£163,987	Oct 2023
East Ayrshire Cycling Tour	Event Scotland/Vist Scotland	-	(£6,800)	Dec 2023
SHOUT	EAC	(£5,000)	(£3,684)	Ongoing
Morton Hall and Library	EAC	£0	£18,719	Ongoing
Dean Castle Restoration and Event	HLF/REF	(£5,000)	£41,980	Ongoing
Wifi Project	EAC	(£19,700)	(£19,700)	Ongoing
Foster Carer Service - Memberships	EAC	(£4,000)	(£4,000)	Ongoing
Youth Memberships	EAC	(£2,432)	(£2,162)	Ongoing
Annick Valley Leisure Facilities	EAC	(£199,029)	(£199,029)	Ongoing
Patna Leisure Facilities	EAC	(£810)	(£810)	Ongoing
FutureMuseum.co.uk Redevelopment	Museum Gallery Scotland	(£15,750)	£2,509	Aug 2023
Fruit and Nut Tree Woodland	EAC	£13,114	£16,171	Ongoing
Creative Scotland Recovery Fund	Creative Scotland	£0	(£89,117)	Ongoing
Cost of Living Crisis	EAC	£0	£8,279	Ongoing
On the Road to Digital Success	SLIC	-	(£17,128)	Dec 2023

Additional Information

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.

Burns Birthday in Mauchline – The project normally takes place on the last Saturday in January at Burns House Museum, Mauchline Parish Church Halls and Mauchline Kirkyard. The family event which is funded by EventScotland is free and includes lots of Burns related activity including visual art, puppet making, Kirkyard tours with our partners Mauchline Burns Club, curator talks and a very special performance by pupils of Mauchline Primary School. The event did not take place in 2021 due to EventScotland funding being withdrawn due to Covid 19 but it is hoped the event should be going ahead in the future.

Kilmarnock Green Infrastructure - The design and feasibility work has been completed for the Kilmarnock Green Infrastructure Project. £300k has been secured from Sustrans for further design work for a multi-million pound application later in the year. 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.

Digital Storyteller in Residence - The project which was funded by the Scottish Book Trust has now come to an end. The initiative worked with people facing social isolation for whatever reason, to encourage participation in and the use of digital platforms to tell their own personal story. The Arts, Libraries and Museums Development team led the project with partners in Kilmarnock Station Railway Heritage Trust (KRSHT) and Vibrant Communities. The project was externally recognised by being shortlisted for Community Project of the Year at the Herald Society Awards. There is a surplus balance which Scottish Book Trust have said we can use towards further Digital Storytelling activities. We are currently paying for further training for KRSHT from the fund, and have invested in suitable transit cases to keep the kit safe when loaned out to our partners.

Irvine Valley Trails - The Renewable Energy Fund has agreed that the shortfall in spend in the development stage grant can be reallocated to the Trails capital grant of £213,964. The Irvine Valley Trails project also received funding from the Low Carbon Travel and Transport Fund and Transport Scotland to implement a series of routes throughout the Irvine Valley that support active travel. All funding is in place for this project and implementation started autumn 2019.

East Ayrshire Cycling Tour – £8k was awarded to towards this project aimed at promoting cycling to everyone from all ages across East Ayrshire. The funding was secured from a larger fund which coincides with the UCI World Championships which are being held in Glasgow and is the first multi-disciplinary cycling championships to take place in the world. The funding is being used to have a roadshow of cycling activities at venues across East Ayrshire in July 2023. The activities at the event will include Dr Bike, E-bike trials, cycling competitions for children, a pump track to try, guest speakers, all ability bikes, balance bikes, guided cycles and other fun activities which families can participate in to allow all ages to engage with cycling based activities. The facilities which will be used to host these events are Barony Sports Village, Dean Castle Country Park and Doon Valley Sports Centre.

SHOUT - £5,000 funding from East Ayrshire Council has been issued to offer FREE swimming to SHOUT card holders during the school holiday periods.

Morton Hall and Library – Procurement of new furniture for Newmilns Library is being managed by the Trust but will be funded by EAC. A maximum of £20,000 of the £30,000 allocation will be for library furniture and the balance is for the overall venue.

Dean Castle Restoration and Event - An HLF funded project led by EAC. Some expenditure is processed through East Ayrshire Leisure and subsequently recharged to EAC.

2 funding bids will be submitted for this event – the outcome for the first submission was approved June 2022 and we were awarded £47,500 and the second bid has still to be done. £5k has been identified as match funding. The event as a focal point for the reopening of the Castle will provide a celebratory, collaborative and high profile occasion through our confirmed partnerships with key Scottish cultural heavyweights including The Cumnock Tryst headed up by one of the world's most important composers, Sir James MacMillan, Professor Alistair McDonald - Composer and Sound Artist (Royal Conservatoire of Scotland), Professor Kirsteen McCue - historian and musician (Glasgow University, Burns Scotland), and Colin Currie – world renowned percussionist. The project will take a wholly accessible, collaborative and engaging approach, working with local pupils to develop a newly commissioned work which will feature at the centre of the event, and welcoming on the spot participation for visitors through a unique series of percussion sculptures, an entirely new collection of musical instruments created by a local artist blacksmith for this event.

Wifi Project - After an initial review was submitted to the EAC we have since received funding of £20,000 to contribute to the installation costs of Wi-Fi across all East Ayrshire Leisure standalone venues.

Foster Carer Service - Memberships – £4,000 funding from East Ayrshire Council has been issued to support foster carers in accessing sport and physical activity services for the children they are caring for.

Youth Memberships – £5,000 funding will be utilised to target certain 16-17 years olds who currently do not engage with physical activity or our sports venues. The funding will be utilised to pay for a fitness membership that will give them access to our gyms, fitness classes, swimming pools, running tracks and racquet sports.

Annick Valley Leisure Facilities – EAC Members and Officers Working Group (MOWG) on developer contributions identified £212,000 which has been allocated for Annick Valley and has been transferred to East Ayrshire Leisure.

Patna Leisure Facilities – EAC Members and Officers Working Group (MOWG) on developer contributions identified £810 which has been allocated for Patna and has been transferred to East Ayrshire Leisure.

FutureMuseum.co.uk Redevelopment - A successful bid was submitted to Museums Galleries Scotland for £47,000 to support the redevelopment of the south west Scotland partnership project. The project is estimated to take two years to complete. FutureMuseum.co.uk is a partnership between East Ayrshire Leisure Trust, Dumfries and Galloway Council, North Ayrshire Council and South Ayrshire Council. The objectives of the project are to maximise access to the museum and gallery collections of the South-West of Scotland, to deepen people's understanding of the history of the region, and to drive footfall to the museums and galleries in the region. A redesign of the website will make it more accessible through improved design, site navigation and effective use of analytical tools to support content generation.

Fruit and Nut Tree Woodland – Funding has been secured through the Scottish Government Naturalisation Funding, to transform an area of unimproved grassland to a community woodland which focuses on the principles of 'food for free'. The woodland will be developed and planted by East Ayrshire Woodland's trainees as well as through community events organised by East Ayrshire Leisure's Countryside Ranger Service. The project also includes the establishment of a native hedgerow along the boundary of the site. To date, the native hedgerow has been planted through a number of volunteer sessions involving Ayrshire College, young people being looked after by EAC, the local community and corporate volunteers from Teleperformance Call Centre based at Rowallan Business Park.

Creative Scotland Recovery Fund - £149,566 was secured from funding made available to enable cultural organisations working primarily for public benefit, to rebuild and create opportunities to increase their financial resilience after the COVID-19 pandemic. Initial programme of spend has been developed and approved by the funder

Cost of Living Crisis - Funding of £172,000 was allocated by EAC as a response to the Cost of Living Crisis for a period of up to 24 months. EAL has been asked to provide "warm spaces" in conjunction with a variety of community groups across East Ayrshire.   We have identified 10 of our venues that will be enhanced to provide an area specifically for members of our communities that may be affected by the COL crisis. In partnership with EAC we will offer safe, warm, comfortable spaces with charging stations, hot drinks, board games, etc in a sensitive and dignified way. Our team will capture how many people attend and will help signpost those in need to a wider range of services and support if needed.

On the Road to Digital Success – Funding of £38,000 was awarded towards this project which aims to reach communities and individuals across East Ayrshire with digital access and support. Due to the unique fabric of East Ayrshire's urban rural landscape we recognise that access to our facilities can be difficult for some residents who live in more remote parts of the authority. A mobile service reduces the inequalities experienced by residents who don't live near a static venue, or who do not have access to transport to travel to a facility. Covid-19 accelerated the necessity to be digitally enabled, but there are still members of the community for whom digital access is a luxury and not within reach. The project aims to bridge the digital divide and provide a safe place to work and study; or to relax and have fun in a space to unwind and take time-out from the pressures of daily life. One of the benefits to having a mobile service is that we can take our entire library offer into communities and to specific groups to enable us to deliver our services to people who are "hard to reach". This type of service helps us to break down barriers as we are quite literally taking the service to them. Staff who will deliver this project will be equipped to support learning on the bus as well as provide a friendly and approachable service. We have existing connections with partners across East Ayrshire; this project would give us scope to build on these and create new connections opening up our library service to a new audience.

<u>EXTERNAL FUNDING</u>

<u>Notes:</u>

A robust monitoring process is now in place for all External Funding applications from initial submission to subsequent successful or unsuccessful award.

EXTERNAL FUNDING (JANUARY – MARCH 2023)

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 2022/23
Cultural	SLIC - On the Road to Digital Success	£38,000	
Leisure	Shared Care Scotland - Nature Therapy Breaks	£34,200	
TOTAL		**£72,200**	**£0**

EXTERNAL FUNDING NOT INCLUDED IN EAST AYRSHIRE LEISURE ACCOUNTS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
EAC	Cultural Kilmarnock - Levelling up Fund	£20,000,000	
TOTAL		**£20,000,000**	

EXTERNAL FUNDING DECLINED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
Leisure	Nature Scot - Nature Restoration fund	£34,200	Funder received a very high number of applications for this additional funding and unfortunately were not able to support all the applications received. Funder advised to consider allocation of NRF funds that will be made available through the Edinburgh Process later in 2023 when further details become available of the support for local authorities.
TOTAL		**£34,200**	

EXTERNAL FUNDING (APRIL 2022 – MARCH 2023)

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 2022/23
Cultural	Scottish Book Trust - Live Literature	£500	£500
Cultural	SLIC - #StreamMyStory	£1,168	£1,168
EA Leisure	Sustrans Scotland - Annick Active Travel	£50,000	£0
Cultural	Scottish Book Trust - Book Week Scotland	£750	£750
Cultural	Renewable Energy Fund - Dean Castle Event	£47,500	£0
Cultural	SLIC - Big Scottish Book Club	£409	£409
Sport	Event Scotland - East Ayrshire Cycling Tour	£8,000	£6,800
Cultural	SLIC - On the Road to Digital Success	£38,000	£26,600
Leisure	Shared Care Scotland - Nature Therapy Breaks	£34,200	£0
TOTAL		**£180,527**	**£36,227**

EXTERNAL FUNDING NOT INCLUDED IN EAST AYRSHIRE LEISURE ACCOUNTS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
EAC	Sustrans Scotland - Kilmarnock Green Infrastructure Project - Infinity Loop – Stages 3-4	£1,430,838	
EAC	Cultural Kilmarnock - Levelling up Fund	£20,000,000	
TOTAL		**£21,430,838**	**0**

EXTERNAL FUNDING DECLINED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
Cultural	HLF - Future Collections	£250,000	Application rejected due to high volume of applications. However, it has been recommended that EALT work with HLF engagement team to strengthen the application and resubmit.
Cultural	HLF - Cultural Kilmarnock	£5,000,000	Expression of interest rejected as not enough heritage impact for amount requested
EA Leisure	EAC - Place Based Investment - Stewarton Area Centre, River Ayr Way Accessibility Enhancements and DCCP Green Car Park	£530,685	The programme was very significantly oversubscribed - almost £3.8 million over East Ayrshire's allocation; making it impossible to recommend all projects. Sources of support outside this programme that may be able to assist taking this project forward have been identified and an East Ayrshire Council/Health and Social Care Partnership officer has been identified to help take these next steps.
Leisure	Nature Scot - Nature Restoration fund	£34,200	Funder received a very high number of applications for this additional funding and unfortunately were not able to support all the applications received. Funder advised to consider allocation of NRF funds that will be made available through the Edinburgh Process later in 2023 when further details become available of the support for local authorities.
TOTAL		**£5,814,885**	

PERFORMANCE AND AUDIT SUB-COMMITTEE

ANNUAL HIGHLIGHT REPORT 2022/23

Date: 16 May 2023

Agenda Item: 7

Report by: Anneke Freel, Chief Officer

1   PURPOSE OF REPORT

1.1   This report provides highlights of the Trust's performance for the year 2022/23.

1.2   During the year, the Trust has monitored attendances and participation in line with our reporting responsibilities under our 10 year Strategic Vision and the Local Government Benchmarking Framework. The table below sets out our 10 year ambitions and our 2022/23 performance.

Performance Indicator	2022/23 Performance	2030 Strategic Aspirations
People attending our Venues	1.6 million	2.9 million
People engaging in our programmes	A review of box office and booking system is underway. These figures will be reported when the new system is embedded	0.99 million
Our eastayrshireleisure.com online visitors	0.52 million	0.38 million
Online visitors to futuremuseums.com	0.2 million	0.25 million
Number of programmes for 12-25 year olds	54	30
Number of programmes for 65+	18	15
Number of local and regional events and exhibitions	61	40
Number of children engaged in our education programme	6,649	20,000
Opportunities that we offer for volunteers and work placements	12	50
Our absence Levels	3.27 days / annum	8 days / annum
Our staff turnover rates	6%	7-10%
Number of community initiatives that we support	31	30
Number of partnership projects we engage in	61	40
Carbon Footprint		990tCO2e

2   SHARING OUR VISION

2.1   From 2020 when the world was hit by a global pandemic, East Ayrshire Leisure responded by developing a 3 year Digital Transformation Action Plan that would allow us to continue to reach our audiences and engage our customers. As we enter into the final year of the action plan, it's important to reflect on the success of the first 2 years and to understand any lessons that can be learned.

Social media is clearly one of our fastest and most responsive forms of communication. In 2022/23 we achieved nearly 9 million impressions across all of our platforms and the team continue to monitor clicks, audience reach, comments and engagement. However, it was also important to keep connected

to and drive audiences through our website. Therefore, we added our social media feeds to our website landing page and are developing a programme of training for key venue staff so that this form of communication is up to date and relevant.

We have also made use of Google Adwords based on our charitable status. This has allowed us to extend our reach even further and provided an equivalent value of £34,583 in adverts. All venues now have a Google My Business listing, which helps with searches and rankings.

The intranet has also provided a major focus of our work within the Sharing Our Vision team in 2022/23. This provides a platform for staff, to not only gain up to date information about policies, processes and protocols, but also to engage in the development of our business. Staff are encouraged to use the intranet, newsletters and team meetings as the key conduits for communication.

2.2   As part of the development of our website and our discussions with VisitScotland, it was identified that Dean Castle Country Park, as our key tourism venue, would benefit from a standalone website www.deancastlecountrypark.com . Whilst this looks like a unique website, it is linked to our main site and allows the customer to navigate between both sites. This site will continue to be developed through the activation of QR codes in the Dean Castle and the provision of an on-line gift shop.

2.3   Our training and development programme has been and will continue to be a critical element of our organisational review and our aspirations for growth and development. We offer more than a training programme, but a programme that offers opportunities for personal development, mentoring, job coaching and team dynamics. The programme is easy to access from the staff intranet and provides a comprehensive list of mandatory, developmental and leisure specific training that any member of staff can access. In 2022/23, we also developed a training matrix for each job within the Trust. This has enabled individual employees to clearly identify the training and development required to deliver their role, but also gives them the opportunity to discuss with their line manager individual development needs that are specific to them. In 2022/23, we had over 1,000 attendances at training courses. 60% of these were delivered on line through teams meetings or e-learning. The rest were face to face training and development sessions. Ten employees have taken part in our organisation specific leadership programme. This is our third cohort to date. This was initially offered to the extended management team, but has now been rolled out to anyone with an interest in leadership and management. The formal training sessions have been complemented with a programme of team based development sessions throughout the year, specifically related to the organisational review.

2.4   In 2022, we introduced Organisational Learning into our quarterly reporting to the Board of Trustees and also to our regular schedule of team meetings. Organisational Learning allows us to capture complaints, comments and feedback from a range of sources including customer feedback, SHE incident reporting, unannounced visits, accreditation visits, workplace inspections and any other forms of reviewing and commenting on services. Any specific feedback, which is service related will be sent directly to the Strategic Lead to develop an action plan where appropriate. However, anything, which is deemed relevant for the whole organisation is captured through organisation learning to enable us to celebrate good practice and reflect on anything that affects us all.

2.5   Futuremuseum.co.uk is a partnership between East Ayrshire Leisure and Dumfries and Galloway, North Ayrshire and South Ayrshire Councils to provide free on-line access to the museum collections of South West Scotland. It was set up before the Trust was established and the number of people engaging in the site has steadily grown over the years. In 2022/23, more than 0.2 million logged on to view some aspect of the collection that it holds. The current site is fairly dated, so after a successful funding application of £46k to Museum Galleries Scotland, we started building a new dynamic site, which will be launched towards the end of 2023. This site will include a range of interactive exhibitions that will bring some of the collections to life. It will also be set up to support social history collections

that are held within communities. This is a really important development that will allow increased access to a wider collection and archive, as well as more comprehensively celebrate the region.

3   LEISURE AT THE HEART OF EVERY COMMUNITY

3.1   2022/23 has been an exciting time for the development of our Cultural Hubs. We were delighted to reopen Morton Hall following refurbishment to the external stonework, roof and stain glassed windows. As part of the refurbishment, we moved the Newmilns Library into the lesser hall, providing a venue that provides for all community and cultural activities. Since opening in Autumn of 2022, the library has seen an increase of 67% from the previous year.

Galston Town Hall and Darvel Town Hall have also been a focus for development throughout 2022/23. East Ayrshire Council is overseeing the refurbishment of the former town hall in Galston that will allow us to create a beautiful new space for Galston Library, along with additional community and flexible rooms for exhibitions, events, art galleries and repatriation of the Galston specific items from the museum collection. We hope to open Galston Town Hall in 2024. At the other side of the Irvine Valley, we have started very early work on a concept for Darvel Town Hall, which will create a modern and innovative home for Darvel Music Festival, as well as spaces for the library and an integrated museum and gallery, supported by a café/bar.

3.2   This year, the Grange Leisure Centre was selected to host The Scottish Secondary Schools Badminton Championships over the weekend of the 11th and 12th March. The event has never been held outwith Edinburgh or Perth before and the trip to East Ayrshire was a huge success. The organisers were so impressed by the facilities and the staff, that their intention is to bring the event back again in 2023/24. The event wouldn't have been such a success if it hadn't been for our team at the Grange and our partnership working with East Ayrshire Council's IT and catering teams.

3.3   Barony Sports Village, Rose Reilly Sports Centre and Doon Valley Leisure Centre deserve a special mention for how they have recovered following the global pandemic. Whilst all venues are showing strong signs of recovery with an average increase of attendance at our Leisure at the Heart facilities of 29% compared to 2021/22 and just about matching pre-covid figures, these 3 venues have increased by 99%, 49% and 75% respectively. The Barony Sports Village was opened after covid, but Rose Reilly Sports Centre and Doon Valley Leisure Centre have now exceeded pre-covid by 42% and 45%. Loudoun Leisure Centre and William McIllvanney Leisure Centre have also exceeded pre-covid figures. With improvements planned for Rose Reilly in 2023/24 and a brand new campus for Doon Valley Leisure Centre, just imagine how busy these venues will be.

3.4   It would be remiss not to include the growth of e-books within the highlights of 2022/23. Prior to covid, nearly 6,000 e-books were borrowed. The closure and restrictions around our static libraries resulted in a dramatic increase to nearly 12,500 books by the end of 20/21. However, this area of the business has not stabilised now that restrictions have been removed and we are fully operational again. In fact, our annual figure for 2022/23 was over 16,000 books showing an increase of 71% on the previous year and 193% on pre-covid baseline figures.

3.5   In 2022/23, East Ayrshire Council approved an allocation through their budget setting to enable us to develop a brand new membership package and our Active Club was launched. The aim of the Active Club is to support young people as they transition from primary to secondary school as it was recognised that this age group may have been significantly affected by covid-19 lockdowns and restrictions. The Active Club allowed us to offer free or heavily subsidised activities for young people between the age of 10-14 across all of our services including access to gyms, pools, youth theatre, young nature clubs and much more. 578 young people are members of this club. The club will continue to be offered free of charge in 2023/24 with the aim of integrated it fully into our regular membership offers.

3.6   East Ayrshire Leisure was proud to support East Ayrshire Council's cost of living campaign by providing 12 warm, welcome spaces as part of the overall network of 60 spaces across East Ayrshire. The focus was to give anyone living in the local area access to a welcoming venue to get a heat, enjoy some refreshments, participate in social activities, access the internet and have connections to other supports including the food larders, money and energy advice and wellbeing support. There was a strong emphasis to ensure that the facilities are open to all to access without stigma. All East Ayrshire Leisure venues will continue to be free to access and will always be welcoming to any member of the community.

4   LIVING YOUR BEST LIFE

4.1   Large scale capital projects have been a focus for the Living your Best Life team, alongside colleagues across all service areas, in 2022/23. In August 2022, the Dean Castle was handed back and we finally saw contractors leaving the site after what seemed the longest 4 years. The team was then able to concentrate on the enormous task of moving the wonderful Dean Castle collection including musical instruments, textiles and arms and armour. To prepare the Castle for reopening, we also had to install interpretation to bring the story to life for our visitors. Then at the last minute a gift shop was added in to add to the visitor experience. Whilst this last minute addition really tested our problem solving skills, it is wonder to include it and it is proving popular. The official opening of the Castle took place on the 31st March with support from Ayrshire College and East Ayrshire Council's Instrumental Service. Within the first 2 weeks of opening, over 20,000 people visited the Dean Castle.

The other major capital project, which has been a focus for the Trust, is the development of Cultural Kilmarnock, which will see the refurbishment and modernisation of the Palace Theatre and Grand Hall within a brand new Cultural Park. Confirmation of £20 million funding from the UK Government's Levelling UP Fund was announced in February 2023. This project will be developed throughout 2023 with construction starting in 2024.

4.2   Part of the funding from the National Lottery Heritage Fund was to deliver a programme of events at Dean Castle. Christmas gave us the perfect opportunity to do this as the building ahd been handed back from the contractor, but we weren't yet open to the public. Therefore, we were able to showcase and feature the restoration work that had been carried out on the stonework itself. We to do this, we delivered a 'Spirit of Christmas' event. Spirit of Christmas created a quality Christmas attraction that lit up the Castle ever evening between Friday 9 – Friday 23 December 2022 and included a bespoke high quality festive projection with custom soundtrack, designed specifically for the South elevation of the Castle. The courtyard was also transformed to include a fairy light wall, a Santa's Letter Writing Station and a festive food and drink area. We extended the opening hours of the Treehouse café to support the event and provided children's movies in the Treehouse auditorium. Due to the funding that we received, we were able to offer this event free of charge. Spirit of Christmas attracted 26,903 people and Santa received over 4,000 letters. Spirit of Christmas was part of a region wide Winter Festival that engaged with over 31,000 people across East Ayrshire.

4.3   We were delighted to be asked to support the development of a mural for the brand new St Marnock's Square in Kilmarnock. The mural was commissioned through our Artists Work in Public Places framework and was overseen by our Visual Arts team. The successful artist and the ultimate design was done by local artist Tom Lightbody, who is a prominent street artist in the West of Scotland. The chosen design depicts the story of Lady Ann Livingston Boyd, the Countess of Kilmarnock and the widow of the Earl of Kilmarnock. It is a striking piece of art, which has received significant praise. We were really pleased to support Celebrate Kilmarnock with this project and look forward to being involved in more.

4.4 The exhibition programme at both the Baird and the Dick Institute throughout 2022/23 have been engaging, innovative and high profile. Throughout the year we have worked with nearly 4,000 young people, at all school stages. The three main exhibitions at the Dick Institute were 'Great and Small, Crafted Creatures' from the Crafts Council Collection; 'Quentin Blake, Illustrating Verse' a selection of Blake's illustrations for poetry from comic nonsense to poignant ballads; and 'Georgia O'Keeffe, Memories of Drawings' a collection of 20 exquisite photogravures of drawings from this pioneering artist. Whilst the main exhibitions at the Baird were 'Ploughing Up our Past' in partnership with Cumnock History Group; 'Quentin Blake: Book Covers' a touring exhibition from the House of Illustration; and 'Billy Enigma' a National Gallery of Scotland outreach exhibition. The exhibition programme continues to be exciting and we look forward to 23/24 and the development of new programmes and new spaces.

4.5 Ayrshire Athletics Arena has had a very busy year attracting nearly 102,000 people to participate in track and field events. This is an increase of 130% from last year and has now reached pre-covid figures. This is predominantly due to the expansion of our run, jump and throw programme, school and regional competitions. As well as our usual track and field events and our support to Scottish Athletics programming, we were delighted to bring some new events to the Ayrshire Athletics Arena. The under 12s SUPERTeams national finals took place at the track that saw athletics teams from all over Scotland competing in Ayrshire for the first time in 5 years. We were also thrilled to host the Commonwealth Archery Championships of Europe, allowing us to foster a relationship with Scottish Archery for future programming and collaboration. As outlined in the Leisure Facility Strategy the Sports Development team will work with local and regional partners in 2023 to develop a masterplan for the venue that will support this growth in track and field events and sporting festivals.

5 INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES

5.1 Towards the end of 2021/22, the Board of Trustees approved the most significant review that the Trust has ever undergone and would see our structures, our corporate delivery plan and our priorities wholly aligned to our 10 year strategic vision. This was the first full organisation review since we were established in 2013. The majority of this review was delivered throughout 2022/23. The review required meticulous planning, co-ordination and cross service working, which involved redesign of job outlines and specifications, the development of key tasks associated with each role and a virtual rebuild of our established structures and systems. The organisational review allowed us to remove our temporary contracts to less than 1% of our overall staffing, excluding group fitness instructors, sports coaches and seasonal staff. This change has resulted in more permanent contracts and greater stability within the staff teams, as well as an enormous recruitment drive. The Investing in our People Team ensured that the necessary processes around IT, HR and Bookings were in place to support the Strategic Leads to make this as smooth a transition as possible and to allow the organisation to continue to operate with little or no impact to customers.

5.2 At the same time as carrying out a full organisational review, it became clear towards the end of 2022, that our booking and box office system was no longer fit for purpose and we would need to procure a new system(s). Our box office and booking system is fundamental to the operation of our business. Within a very short timescale, an analysis of need was carried out and a commodity strategy prepared. This will allow us to develop new systems that will support our growth aspirations and make our customer journey more seamless. It has been agreed that we require separate ticketing and booking systems rather than continuing with a bespoke system that incorporated everything, but didn't respond to the needs of each service area. The new systems should be launched towards the end of 2023 and start of 2024.

PERFORMANCE AND AUDIT SUB-COMMITTEE

5.3 In line with our organisational review, we also undertook a review of our Trustee Ambassador roles and have developed them in line with our 6 Strategic Themes.

5.4 Investing in our People and Embracing our Values is not just about our paid members of staff. We rely on the benefit that volunteers bring and we aim to provide support to local people through volunteering opportunities, apprenticeships and placements. In 2022/23, we developed a Volunteer Handbook, along with a suite of volunteer roles. Developing volunteer roles allows us to use myjobscotland to recruit volunteers and to provide clarity on what they can expect from us and what we will ask of them. This system was piloted as part of the Spirit of Christmas event at Dean Castle in December. After a successful programme of volunteer engagement sessions leading up the Christmas Event, we appointed 20 event support volunteers. The Spirit of Christmas would not have been so successful if it wasn't for the dedication and enthusiasm of our team of volunteers.

This format for volunteer recruitment was also used for the appointment of 9 Customer Experience volunteers and 2 Kitchen Garden volunteers for Dean Castle.

Other volunteer roles continue to be promoted with the following roles successfully being developed in 2022-23.

- Cairn Table Hill Race Volunteers
- River Ayr Way Challenge Volunteers
- Outdoor Conservation Group (Friends of the Dean)
- Kitchen Garden Volunteers
- Castle Visitor Experience Volunteers
- Spirit of Christmas Event Volunteers

5.5 East Ayrshire Leisure are very lucky to have an amazing group of volunteers in the Textile Team. The Textile Team was established in 2005 to work on the intricate collections of the Dean Castle. In 2022, the group formed an integral part in the work required to reopen the Dean Castle after 4 years of closure, working on the tapestries, the curtains, banners, cushions and the fabulous trappings for the spectacular horse, which sits within the Great Hall of the Keep. Since 2005, the team has grown and now provides support to a wide range of community projects across Ayrshire and have received national recognition for many projects.

In 2022, the talented volunteers who form the Textile Team created and presented Kilmarnock Football Club with a handcrafted flag to commemorate the club's 150th anniversary. The bespoke flag was developed in partnership between the club and Provost Todd of East Ayrshire, who met with the team to work collaboratively on a concept which brings together all of the club's crests in one piece and showcases the club's illustrious history. The project kicked off in 2019 in the midst of Kilmarnock's 150th anniversary celebrations, before progress was sadly halted by the pandemic. The flag is made of linen, which was stretched and laced tightly onto a floor standing embroidery frame, featuring stretched and sewn silk and silk ribbon detailing. As part of a very intricate process, some of the crests were hand-stitched by members of the textile team and added to the flag, with others embroidered directly on the material using a variety of stitches and techniques. The flag now takes pride of place in the new Killie Museum.

6 CREATING A SOLID FOUNDATION FOR GROWTH

6.1 The Trust had another successful financial year with a final favourable position of £201,232. This position has been achieved due to vacancies, income performance being better than anticipated particularly for the panto, management actions to minimise expenditure and maximising opportunities for external funding throughout the year. This surplus will be added to our unallocated reserves and will be invested for the delivery of our Strategic Vision and the creation of a sustainable organisation,

6.2   East Ayrshire Leisure continues to excel in attracting external funding for the development or programmes and projects. All service areas are involved in funding applications, but the process and systems are monitored and managed by the Creating a Solid Foundation for Growth Team. In 2022/23, the Trust submitted external funding applications to the value of £27,426,250. The amount of work that goes into submitting and monitoring applications, regardless of their value cannot be underestimated. £21,430,838 of this was developed in partnership with East Ayrshire Council and will contribute to large scale regeneration projects. It should also be noted that this funding will be used as seed funding to attract further grants in 2023/24 to deliver the Kilmarnock Green Infinity Loop and Cultural Kilmarnock. £5,814,885 of applications were declined in the first attempt. Of these declined applications, the Trust has been invited to work with the funders and develop 91% of the applications for a future round of funding. £180,527 of funding was secured through funds not available to East Ayrshire Council. Funding received allows us to develop large scale capital projects, as well as deliver one off programmes and events.

6.3   For the 8th year running, East Ayrshire Leisure commissioned an independent external audit of its account for the period 2021/22. Once again, the Trust received an unqualified, "clean" audit.

6.4   In order to ensure we can still operate high quality facilities and services, in 2022/23, we developed our first Equipment Renewal Programme. This is a rolling programme, which identifies priority for investment in equipment. £200,000 of original investment was identified and included renewal of gym equipment, new grounds maintenance machines, IT software and furniture for the Grand Hall. On top of this, we started implementing the 'One Device Strategy' and a 3 year programme of replacement of all staff and public IT equipment.

6.5   East Ayrshire Leisure Trust is committed to providing high quality hospitality services in conjunction with leisure services, fulfilling our Strategic Vision and Delivery Plan objectives and making a real difference to how people view the Trust. Hospitality has been identified as a potential growth area with specific references in our Financial Strategy and Leisure Facility Strategy. In early 2023, the Board of Trustees approved our first Hospitality Plan. It was agreed that the Hospitality Service will operate all bars for events. However, it is recognised that community groups use the income from bars as part of their fundraising activities. In this case, the Trust agreed that fundraising activities would be excluded from the policy and the Trust would support community groups to manage safe systems for their events. As well as operating bars, our hospitality service is also responsible for the cafes at the Treehouse Centre and the Dick Institute. 2022/23 was a successful year for our cafes with an increase of income of 54% and 58% respectively. Whilst this is income alone and doesn't reflect the rising costs of running these venues, it is a good indication that this is a potential area for future growth.

6.6   After 9 years of operation, a new Strategic Vision and a whole organisation review, it was agreed that it would be an appropriate time to carry out a review of our constitution and our Service Level Agreement. This was done in 2022 to reflect our new priorities and structures and was approved by both the Board of Trustees and East Ayrshire Council.

7   **PROTECTING OUR ENVIRONMENT**

7.1   The Protecting our Environment team is responsible for the development of outdoor access projects throughout East Ayrshire, as well as providing information around the Scottish Outdoor Access Code. In 2022/23, the Countryside dealt with 9 access enquiries ranging from locked gates, blocked paths and general information about the land reform legislation. The team has also overseen the implementation of the Irvine Valley Trails Project and the Lugar Water Trail. Both of these projects have received funding through the Low Carbon Traffic and Transport Fund. The team has also upgraded several sections of the River Ayr Way to ensure that it remains open and safe for the thousands of visitors it attracts each year.

7.2   The Treehouse Residential Centre has been the last part of the business to fully recover. Prior to the pandemic, it was a new service and hadn't yet been given the opportunity to realise its potential. However, in 2022/23 the Protecting our Environment Team has been developing key partnerships with colleagues in East Ayrshire Council's Education Service and the East Ayrshire Health and Social Care Partnership and were delighted to host the first residential visit from the East Ayrshire Young Carers. The young people spent a week together in the residential centre, building relationships and growing in confidence. Building on this work, the team have been successful in attracting £36,000 for residential visits. This will allow 5 weeklong stays for young people from the Additional Support Needs network, their families and carers. As part of the partnership, the Health and Social Care Partnership has contributed an additional £12,000 to change some of the bedroom layouts to offer greater flexibility for families.

7.3   Whilst we anticipate 2023/24 seeing a return of our outdoor learning programme and schools returning for visits with the countryside team, nearly 2,000 young people took part in our countryside education programme. This included supporting all of Dunlop Primary School's primary 1 to 3 classes in their 'learning about birds' project; weekly visits from Willowbank Primary School and regular visits from Grange Academy.

7.4   As part of the Scottish Government's Naturalisation Funding, East Ayrshire Council allocated £25,000 for the Trust to work with East Ayrshire Woodlands on a 'Fruit and Nut' project which will transform an area of unimproved grassland to a community woodland which focuses on the principles of 'food for free'. Tree selection was based on trees that provide either a fruit or a nut which can be harvested, providing a basis for a longer term community croft initiative when the woodland has established. The trees were planted in single species copse with grass paths maintained throughout, providing enhanced public access. The woodland was planted by East Ayrshire Woodland's trainees and as part of a programme of community events. The project also includes the establishment of a native hedgerow along the boundary of the site.

7.5   Throughout 2022/23, the team have been working with a specialist golf course architect to implement various aspects of the Annanhill Golf Course Masterplan which focuses on the 'Going Green, Par for the Course' project. This project will transform Annanhill Park and Golf Course in Kilmarnock as part of the overall green infrastructure masterplan for the town. Annanhill Park is a typical Victorian designed landscape with tree lines and neat mown lawns. The golf course is also a tradition sports field. While being a green oasis in the middle of residential areas, the golf course is little more than an area of grass. We would like to transform not only the site and make it a valuable part of the green network that is being develop across Kilmarnock, but also change the culture that has been adopted over the last 60 years. The project includes the creation wildflower meadows where we currently have 'roughs' and extend these areas to create a connection of spaces for pollinators across the site. The project would also include a network of ponds, lades and hedgerows to improve the habitat available for amphibians, invertebrates, birds and bats.

        As well as habitat management, creation and extension, the masterplan will introduce more sustainable practices, engage volunteers in the site and introduce a wider programme of opportunities for young people, including the provision of a path network around the course.

PERFORMANCE AND AUDIT SUB-COMMITTEE

Recommendation/s:

It is recommended that Trustees:

    i.   Consider the highlights and achievements of the Trust during 2022/23

    ii.   Otherwise note the content of this report.

Signature: *Annette Freel*

Designation: Chief Officer

Date: 23 April 2023