

PERFORMANCE & AUDIT SUB COMMITTEE



Date: Tuesday 13 May 2025

Location: Board Room, Wallace Chambers

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 – 25 February 2025			✓
4. Performance Report January - March 2025			✓
5. Trust Budget 2025/26			✓
6. External Audit Plan 2024/25			✓
7. Internal Audit Plan 2025/26			✓
8. AOCB			
9. Dates of Next Meetings: Trust Board: 27 May 2025 Performance & Audit Sub-Committee: 19 August 2025			

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

PERFORMANCE AND AUDIT SUB-COMMITTEE



PERFORMANCE REPORT JANUARY TO MARCH 2025

Date: 13 May 2025

Agenda Item: 4

Report by: Anneke Freel, Chief Officer

I PURPOSE OF REPORT

- 1.1 This report provides details of the Trust's performance for the fourth quarter of 2024/25.
- 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 to March 2024 was 532,500, which is an increase of 1.18% compared to the same period in 2023/24.
- 2.2 The Leisure at the Heart of Every Community Team has seen higher attendance figures in this period with an overall increase of 7.43% compared to the same period in 2023/24
- 2.3 The country park continues to grow in popularity. However, forced closures due to storms in January has led to a decrease of 7.36% in the period. 8.88% of visitors to the Country Park also visited the Dean Castle. Dean Castle Country Park continues to be Ayrshire's most visited free visitor attraction.
- 2.4 We continue to monitor the performance aspirations set out in our Strategic Vision with many projections already being exceeded as outlined in the table below. It should be noted that the variances are based on how close we are to achieving the 2030 target. In some cases, these are being exceeded. Intervention areas that we will focus on are Children engaged in educational activities and opportunities for volunteers. Given the transfer of additional services from EAC Trust, the Strategic Vision and associated targets will be reviewed in 2025/26.

Measurement	Progs. for 12-25yrs	Progs. For 65+	Events and Exhibitions	Children engaged in education	Opportunities for volunteers	Community Initiatives	Partnership Projects
2018 Baseline	20	7	28	12000	17	17	25
2024/25	73	58	155	11810	31	55	138
2030 Target	30	15	40	20000	50	54	106
Variance against baseline	73%	88%	82%	-2%	45%	69%	76%
Variance against target	59%	74%	74%	-69%	-61%	44%	62%

- 2.5 As we come to the mid-point of the 2nd Corporate Delivery Plan, it is important to reflect on these statistics. This will allow us to focus on key areas such as programmes and activities for children and young people linked to the curriculum and opportunities for volunteering and placements. This focused

piece of work needs to be done, whilst sustaining the target levels for the other performance indicators.

- 2.6 The risk register has been reviewed and with a new risk included to reflect the transfer of additional services.

3 CORPORATE DELIVERY PLAN RECORD OF PROGRESS

- 3.1 At the mid-point of the 46 outputs included in the 2024-26 plan, 6 have been completed, 37 are underway and 3 have yet to be started.

4 FINANCIAL PERFORMANCE

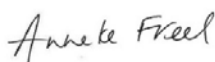
- 4.1 The financial performance quarter 4 report provides detail of the Trust's financial performance for the period January to March 2025. The outturn for East Ayrshire Leisure at 31st March 2025 is a deficit position of £30k. 2024/25 was a particularly challenging year for the Trust with the closure of the Palace Theatre and Grand Hall resulting in significant income shortfalls in both performing arts and hospitality and additional spend to provide alternative storage facilities for the equipment. This deficit can be met from uncommitted reserves.
- 4.2 It should be noted that the management team have now introduced a new budgetary monitoring process to ensure robust financial management, especially while the Palace Theatre and Grand Hall remains closed and the consequence of capital that comes with that.

Recommendation/s:

It is recommended that Trustees:

- i. Consider and approve the East Ayrshire Leisure Performs Report for the period January to March 2025;
- ii. Otherwise note the content of this report.

Signature:

A handwritten signature in cursive script, appearing to read "Anneke Freck".

Designation: Chief Officer

Date: 1 May 2025



EAST AYRSHIRE LEISURE PERFORMS

QUARTER 4

JANUARY - MARCH

2024/25



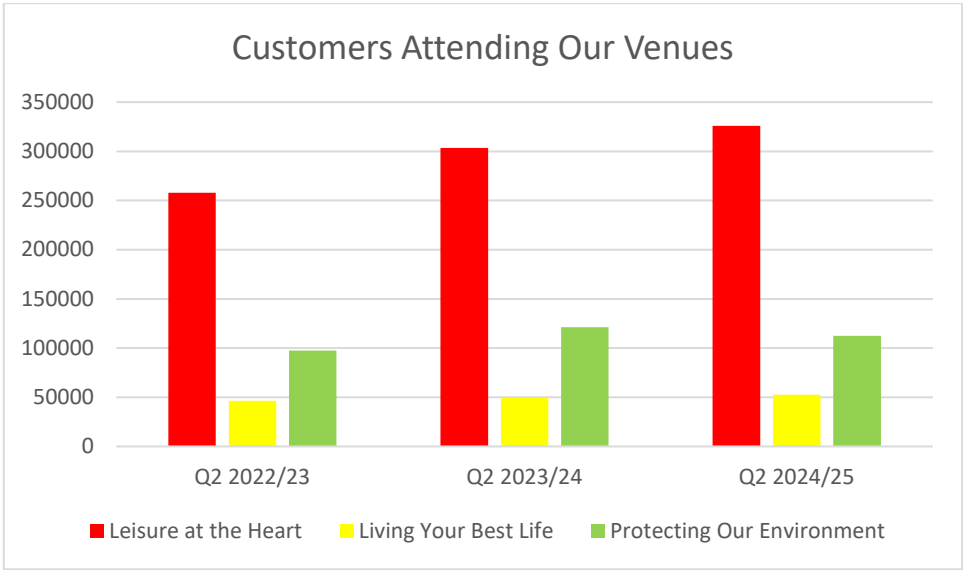
Contents

PERFORMANCE INDICATORS	3
Attendance Figures	3
Strategic Vision Performance Monitoring	5
KEY UPDATES.....	6
Insurance Claims	6
Gifts & Hospitality.....	6
ORGANISATIONAL LEARNING.....	7
RISK REGISTER.....	9

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.



- **Leisure at the Heart** portfolio has seen a significant increase compared to the same period in 2023/24 of 7.4%. Whilst libraries are generally performing well, attendances have been impacted by the community performing arts programme that has been introduced, in Stewarton Area Centre, Darvel Town Hall and Cumnock Town Hall with respective increases of 314%, 161% and 66%. Morton Hall has recorded another significant increase of 390% (Q3 reported an increase of 576%). Ongoing investigation is being carried out to determine if there could be an error in the data collection. However, bookings are building back up after closure for refurbishment in 2023/24. Many of our synthetic grass pitches have now reached capacity during evening and weekends, with an average increase of 20.43% for the period. Ongoing discussions are taking place with local football clubs, the Scottish Football Association and SportScotland to develop a strategy to meet future demand. Rose Reilly Sports Centre is also benefitting from the establishment of a new table tennis club that meets regularly and the introduction of the Active Wellbeing Suite, which is being used for regular programming with primary health care practitioners. Doon Valley indoor use has been impacted by damage caused by recent storms and Hunter Fitness suite figures continue to be monitored.
- The venues within the **Living Your Best Life** portfolio have seen an overall decrease of 7% compared to the same period in 2023/24. This is predominantly due to the change in data recording with the new Futuremuseum website. The new method of collecting data from the website has been in place for a full year, allowing accurate year on year comparisons to be made from Q1 2025. Museums in general have seen an increase in visitor numbers in quarter 4 by an average of 7%.

However, the Baird Institute has decreased by 22%. The visitor numbers for the Baird seem to fluctuate significantly depending on the exhibition programme. Tracking this across the year we can see +48% in Q1, -22% in Q2, +27% in Q3 and now -22% in Q4. A piece of work will now be carried out to marry the exhibition programme to the trends in visitor numbers to determine how we achieve a more consistent approach to attracting visitors.

- **Protecting our Environment** is currently only recording figures for Dean Castle Country Park. The Country Park continues to be popular, although has recorded a decrease of 7.3% compared to the same period in 2023/24. The country Park was significantly affected by storm damage in January and remained closed for a period. This has had an effect on the number of visitors recorded.

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

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	2024/25 Performance	2030 Strategic Aspirations
People attending our Venues	501,656	505,464	488,348	500,008	2.03 million	2.9 million
People engaging in our programmes						0.99 million
Our eastayrshireleisure.com online visitors	232,775	238,202	260,241	190,860	0.92 million	0.38 million
Online visitors to futuremuseums.com	31,100	28,480	31,430	41,524	0.13 million	0.25 million
Number of programmes for 12-25 year olds	18	18	17	20	73	30
Number of programmes for 65+	15	20	11	10	58	15
Number of local and regional events and exhibitions	12	69	31	40	155	40
Number of children engaged in our education programme	5365	1117	2761	2409	11810	20,000
Opportunities that we offer for volunteers and work placements	2	18	6	5	31	50
Our absence Levels	2.85	2.63	2.79	3.10	11.37	8 days / annum
Our staff turnover rates	2.2%	3.3%	5.4% (5 fixed term & 3 retirements)	6.6% (12 leavers: 5 on fixed term contracts)	4.4%	7-10%
Number of community initiatives that we support	19	15	10	10	54	30
Number of partnership projects we engage in	40	11	18	17	106	40
Carbon Footprint	Not currently recorded				Not currently recorded	990tCO2e

KEY UPDATES

Insurance Claims

The following information provides an update on the number of live claims in progress during the period January - March 2025:-

Public Liability	3 x ongoing 1 x new
Employers' Liability	1 x ongoing
Motor Claim	2 x ongoing 2 x closed

Gifts & Hospitality

No gifts and hospitality records 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	<ul style="list-style-type: none"> • Service and Staff praised for levels of customer care: <ul style="list-style-type: none"> - the Countryside Rangers commitment and professionalism is exceptional; Vision team are a dedicated and enthusiastic team, the Dick Institute building is a marvel; the experience certainly surpassed our expectations; what a joy to sit in this beautiful building, surrounded by books drinking wonderful coffee. - Comments received re. Baird Institute, Cumnock: Brilliant Museum, friendly and helpful staff with informative conversations. 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Staff newsletter and Intranet - staff to be notified.
	<ul style="list-style-type: none"> • Poor customer service 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Customer Service Protocol - Customer Journey Training being rolled out to all frontline staff
	<ul style="list-style-type: none"> • Cleanliness mentioned in 2 facilities 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Revise cleaning schedule
Health & Safety	<ul style="list-style-type: none"> • Staff being subjected to verbal abuse, concerned for their own safety, feeling intimidated and/or threatened, public refusing to leave premises. During this quarter, these incidents have predominantly involved youths accessing school premises 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Violence & Aggression H&S Standard - Violence & Aggression Risk Assessment - Staff awareness – do's & dont's - Conflict Handling Training - Scenario Based Exercise

	<ul style="list-style-type: none"> • Trips and slips 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Staff to follow guidance within the manual handling techniques when carrying items and take due care carrying items up/downstairs. - Article to be added to the Staff Newsletter
Communication	<ul style="list-style-type: none"> • Clarification of duties to be reviewed and communicated • Ensure regular progress meetings are taking place • Training to be reviewed with staff • Induction process 	<ul style="list-style-type: none"> • Service action required <ul style="list-style-type: none"> - Ensure Job Induction process is followed

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	<ul style="list-style-type: none"> • Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider. • Organisational Learning • Implementation of Growth Plan 2024-2030 • PR; communications with staff and customers • Financial Strategy •
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 & Strategic Leads	4	3	12 RISK APPETITE: OPEN (Reputation)	MEDIUM	<ul style="list-style-type: none"> • Business Planning • Positive Public Relations • Equipment Replacement Programme • Leisure Facility Strategy • Financial Strategy • Continued dialogue with Council • B.E.S.T. - ongoing training and development of staff • Organisational Learning • Implementation of Growth Plan 2024-2030
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	Executive Managers & Strategic Leads	3	3	9 RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> • Service reviews • Positive Public Relations • Service Level Agreements/Contracts • Strategic Vision 2020-2030 with 2 yearly Corporate Delivery Plans • Leisure Facility Strategy

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	targets and the loss of external funding.						
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 & Strategic Leads	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> • Regular communication with the Council • Business Continuity Plan • Regular Workplace inspections and reviews • Fire Risk Assessments • Established repairs reporting system • Proposed Asset Management Plan (EAC) • Capital Improvement Plan (EAC) • Environmental management, monitoring and reporting • Leisure Facility Strategy and Action Plan • Maintenance Liaison Group • Leisure Programme Board
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 & Strategic Leads	4	3	12 RISK APPETITE: OPEN (Financial)	MEDIUM	<ul style="list-style-type: none"> • Attendance at Events • Recruitment and Selection procedure • B.E.S.T. reviews • Training and development programme • Growth Plan 2024-30 • Financial Strategy • Establishment of a trading subsidiary

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
6	There is a risk that East Ayrshire Leisure does not have the right people with the right skills in the right places because of the failure to adapt/train existing staff, not recruiting the right people and not motivating its workforce. This would result in poor services, lack of customer engagement, failure to cross-sell and a loss of income.	Executive Managers & Strategic Leads	3	2	6 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> • Training and development • Ongoing review of Training matrices • Induction Process • B.E.S.T. review and development programme • Recruitment and selection procedures • 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 & Strategic Leads	1	4	4 RISK APPETITE: CAUTIOUS (Compliance)	LOW	<ul style="list-style-type: none"> • Health & Safety Strategy Group • 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	Executive Managers & Strategic Leads	2	4	8 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> • Dedicated Systems Development Officer and IT Co-ordinator • Regular communication with Council's IT dept • Ongoing review of systems

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	community demand and reputational damage.						
9	There is a risk that East Ayrshire Leisure will not be able to proceed with planned events due to natural disasters, severe weather, threats or other unexpected incidents.	Executive Managers & Strategic Leads	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> • Partnership working groups (SAG) • Support from EAC • Appropriate insurance cover in place • Contract agreements in place • PR; communications with staff and customers
10	There is a risk that the transfer of additional services will put addition pressures on resources that will have an impact on service delivery or the change process will lead to low staff moral, which could also have an impact on service delivery	Executive Managers & Strategic Leads	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> • Implementation of communication plan • Ongoing review of meeting schedule • Review of management structures • Review of operating model • Training and development • Ongoing review of Training matrices • Induction Process • B.E.S.T. review and development programme






CORPORATE DELIVERY PLAN
RECORD OF PROGRESS
QUARTER 4
JANUARY - MARCH
2024/25





KEY:

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: 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	Develop and implement a 2 year programme of Customer Exchange activities for members of the community	DR		<p>A working group for Customer Roadshows has been established and planning is now well underway for the events. All staff will be issued with a briefing note to ensure everyone has the information they require to encourage participation amongst customer groups and to answer questions that might arise out with the organised sessions.</p> <p>An awareness campaign on social media will run from April.</p> <p>A webpage has been set up with key information about organisational growth, roadshow information, link to customer survey and links to previous survey report:</p> <p>https://eastayrshireleisure.com/about-us/organisational-growth/</p>
2	Develop a programme of customer consultation activities aligned to the priorities within the Leisure Facility Strategy	DR		No update from previous quarter.
SHARING OUR VISION				
Strategic Objective: 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
3	Develop and implement a programme of signage and interpretation as outlined in the Leisure Facility Strategy 2022-30	DR		The project to install a number of TV screens and digital signage across multiple Trust venues is now complete. Software (pico boxes) which will allow key, and targeted messaging to be





				<p>delivered across multiple sites from one central point is also being installed.</p> <p>Screens and signage at Wallace Chambers have been installed and a larger project of interpretation and imagery within the building showcasing the history of the William Wallace & Co and additional tenants is now underway.</p> <p>Interpretation boards at Morton Hall highlighting lace industry and links to the covenanters have now been installed.</p>
4	Review all actions within the East Ayrshire Leisure Digital Transformation Action Plan 2021-24 and develop a revised action plan for the period 2024-26	DR		Further exploratory meetings with the Senior Management Team are scheduled.
5	Develop, implement and evaluate a Destination Campaign Action Plan for 2024-26	DR		<p>Following the announcement by VisitScotland that their Accreditation Scheme is being withdrawn we will join Association of Scottish Visitor Attractions (ASVA) from April 2025. Becoming a member will provide us with alternative benchmarking, training and networking opportunities.</p> <p>Internal Audit will investigate opportunities for implementing our own internal Mystery Shopping scheme or whether it should be sourced from an external agency.</p> <p>The Destination Campaign Action Plan is in draft form to be discussed at Board in due course. Incorporates actions from the Leisure Facility Strategy as well as a wider approach to local tourism.</p>







SHARING OUR VISION







Strategic Objective: 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
6	Develop and implement an online learning platform to deliver a range of high quality training designed specifically for the needs of the Trust	DR		<p>A meeting has been held with the Council's Organisational Development reps to discuss our requirements and reporting mechanisms. EAC are liaising with Learn Pro on our behalf initially and will keep us up to date with any outcomes.</p> <p>The vision for this platform first and foremost is to remove confusion for our staff associated with mixed messaging – ensuring all content and branding is fully representative of The Trust and reflects the Trust's needs. It will incorporate all learning and development requirements from across all services. The starting point is to reflect the Mandatory Training matrices of all Trust 'family groups' and then will move to the addition of 'designation specific' training.</p>
7	Develop and implement a 2 year programme of Staff Exchange events, activities and initiatives	DR		<p>A final report outlining the outcomes of the 2024 Staff Satisfaction survey has been prepared for P&ASC and features highlights as well as areas for improvement. This will be discussed with the Senior Management Team and actions will be added to service plans if appropriate.</p> <p>Our Communications Plan is well underway and dates for Staff Roadshows have been circulated – these will run adjacent to the Customer Roadshows.</p> <p>Staff Inductions are scheduled for 1st & 2nd April with all incoming staff from Vibrant Communities and the Galleon Centre being invited. The induction covers all key information for staff from our Vision Mission and Values, to the Code of Conduct and a</p>






				promotional video which gives a flavour of who we are and what we deliver. All staff will be issued with a Welcome Pack
LEISURE AT THE HEART OF EVERY COMMUNITY				
Strategic Objective: 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
8	As part of East Ayrshire Council's project team, develop proposals for Doon Valley Leisure Centre to maximise opportunities that the community campus has for community participation in leisure activities.	GR		No update from previous quarter.
9	Secure funding for the upgrade and development of sports pitches as part of the implementation of the sports pitch priorities identified in the Leisure Facility Strategy 2022-2030	GR		The consultants appointed to carry out the masterplan for the Regional Sports Park have been also asked to carry out an audit of sports pitch condition, availability and use. This will allow further discussions with clubs, SFA and SportScotland regarding priorities for future investment.
LEISURE AT THE HEART OF EVERY COMMUNITY				
Strategic Objective: 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
10	Develop and implement an action plan for the opening of Galston Town Hall	GR		Conversations have started around the layout, equipment, IT requirements for the facility, which is scheduled to open in Q3 of 25.26
11	Introduce, monitor and evaluate a pilot mobile services programme and integrate successes into core services	GR		




LEISURE AT THE HEART OF EVERY COMMUNITY				
Strategic Objective: To work with partners to explore funding opportunities for refurbishment and development of leisure facilities				
Output	Lead	Progress	Comments	
12	Secure funding for the redevelopment of Darvel Town Hall	GR		
13	Implement improvement plan for Rose Reilly Sports Centre including installation of a studio for fully inclusive exercise, an outdoor pump track, new play area and outdoor fitness space	GR		<p>The Active Wellbeing Suite is now open</p> <p>Audio and visual equipment upgrade works have been complete in the studio</p> <p>The outdoor pump track, new play park and outdoor fitness space is no longer viable.</p>
LIVING YOUR BEST LIFE				
Strategic Objective: To support the development of sustainable pathways that encourage lifelong participation in leisure activities				
Output	Lead	Progress	Comments	
14	Establish a Youth Board in line with the East Ayrshire Leisure Programme Development Strategy 2022-2026			Given the transfer of services from EAC and KLCT on the 1 st April and the additional services that are scheduled to transfer on the 18 th August, this output will be incorporated into the remodelling exercise with a particular focus on the review of youth work across all services.
LIVING YOUR BEST LIFE				
Strategic Objective: 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	
15	Work with key stakeholders across Ayrshire to develop a regional wide Cultural Strategy			As part of the transfer of services and discussions with Scottish Government, Creative Scotland and SportScotland, consideration




				will be given to a more strategic document that provides direction for Sport and Culture.
16	Develop a funding strategy for the implementation of the Ayrshire Regional Sports Park			Consultants have now been appointed to develop the masterplan for the Regional Sports Park (RSP). Consultation has started with local sports clubs who will form part of a new community sports hub for the RSP. Draft report is scheduled for October 25
17	Develop a masterplan for Annanhill Golf Course, which includes the development of the clubhouse to enhance participation in female and youth golf			No update from previous quarter.
18	Review the opportunities for 2024/26 within the East Ayrshire Leisure Programme Development Strategy 2022-2026 and develop and implement a 2 year programme of hallmark and regional events			Strategic Lead: Events started with EALT on the 7 th April and has started to review existing strategies, processes and procedures.
19	Implement redevelopment project at Burns House Museum as part of the Mauchline CARS project			Contractor has been appointed to carry out external refurbishment of Burns House Museum and Nanse Tinnocks. An application has been submitted for internal layout improvements, upgrade and access improvements to the courtyard and modernisation display and interpretation.
20	Develop an interpretation plan that provides enhance public access to the Dean Castle			No update from previous quarter.
21	Develop and implement Cultural Kilmarnock			<p>Planning consent has now been approved, the preferred contractor has been appointed, and marketing testing of the various work packages is scheduled to be finalised by mid-May. Ongoing discussions are taking place with Ayrshire Roads Alliance through the Kilmarnock Town Centre Taskforce group to develop proposals that link the Palace Theatre project to the Kilmarnock Green Infinity Loop.</p> <p>A separate commission has been made to develop a promotional booklet and video to be used with promoters and tourers to raise the profile of the refurbished Palace Theatre and Concert Hall. Images produced as part of this commission will also be used</p>





				for innovative and creative signage for the site hoarding when it is erected.
LIVING YOUR BEST LIFE				
Strategic Objective: 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
22	Implement a campaign to promote the new Futuremuseum.com platform and add community based collections to the website			Complete
23	Develop a funding strategy for the creation of an 'open store' museum			No update from previous quarter.
24	Maintain accreditation for our museums by reviewing the Collection Procedural Manual in line with the Collection Development Strategy 2022-30 and Collection Agreement and submitting an application to Museum Galleries Scotland			No update from previous quarter.
25	Develop an action plan for the completion of the digitisation of the entire museum collection onto Axiell Collection Management System			Action plan is in place with regular monitoring embedded
26	Implement, monitor and evaluate the actions outlined in the East Ayrshire Leisure Sporting Pathways Action Plan 2023-26			No update from previous quarter.
INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES				
Strategic Objective: 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
27	Develop, implement, monitor and evaluate a People Strategy	IP		

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES				
Strategic Objective: To offer work placements, volunteering and apprenticeships				
Output		Lead	Progress	Comments
28	Identify and implement opportunities for Foundation Apprenticeships	IP		Complete
29	Identify and implement opportunities for Modern Apprenticeships	IP		Application has been made through the Council's Jobs and Training Fund for 4 Modern Apprentices, £5K has been awarded for each. Executive Management will need to review budgets to see which of these can be taken forward if any.
30	Identify and implement opportunities for Graduate Apprenticeships	IP		Application has been made through EAC Jobs and Training Fund for 5 graduate Interns. £5K has been awarded for each. Executive Management will need to review budgets to see which of these can be taken forward if any.
INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES				
Strategic Objective: 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
31	Implement, Monitor and Evaluate Leisure Management Systems	IP		Focus now needs to move to the Invoicing and Debt Recovery capabilities of the system to ensure we provide accessible services for our communities while maximising income. Quotes have been requested from Legend to allow us to explore areas of funding, potentially Tools for Success. A Customer survey to target our Legend Customers to obtain feedback on the customer journey will now be developed and distributed

32	Implement, Monitor and Evaluate Leisure Ticketing Systems	IP		A Customer Survey will now be developed and distributed to our Spektrix Customers to obtain feedback on the customer journey
33	Review and identify various payment methods available to the Trust which will enhance customer service	IP		Working Closely with the Council and our third party providers we have successfully implemented suitable and accessible payment methods across our sites and on line.
34	Explore opportunities to enhance the existing commitment reporting system	IP		As part of the ongoing working groups with the additional incoming services an option appraisal will be carried out to ascertain whether the Trust will continue with the current Pecos Procurement System or develop a new e-purchasing system bespoke to Trust requirements
CREATING A SOLID FOUNDATION FOR GROWTH				
Strategic Objective: 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
35	Develop, implement, monitor and evaluate identified actions outlined within the East Ayrshire Leisure Growth Plan	LR		First phase of the Growth plan has been implemented with the transfer of Vibrant Communities and the Galleon Leisure Centre to East Ayrshire Leisure on the 1 st April.
CREATING A SOLID FOUNDATION FOR GROWTH				
Strategic Objective: 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
36	Expand the membership packages to include opportunities across all service areas	LR		The working group is developing a 'pick and mix' approach to the integrated membership allowing customers to purchase a base package and then choose 'add ons' that best suit their lifestyles. This model will allow us to develop the offer whenever new products and services become available. The logistics for the administration of this will be reviewed prior to presentation to Board.

37	Introduce a hospitality offer to support large scale events and programmes at identified venues as outlined in the Leisure Facility Strategy	LR		Strategic Lead: Hospitality & Retail has been appointed and is working on the operating model that will allow large scale events to be supported
38	Develop and implement a retail plan, which includes on-line and venue sales	LR		Strategic Lead: Hospitality & Retail has been appointed and is working on the operating model that will explore new and enhanced opportunities for gift shops and on-line retail
39	Prepare a Business Plan for the development of a Trading Arm	LR		Complete

PROTECTING OUR ENVIRONMENT				
Strategic Objective: 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
40	Implement, monitor and evaluate the East Ayrshire Leisure Net Zero Action Plan 2024-26	CK		Awarded Bronze status Carbon Literate Organisation A water reduction pilot underway with tap aerators within three venues.
PROTECTING OUR ENVIRONMENT				
Strategic Objective: To adopt the principles of Visit Scotland's Green Tourism Business Scheme to reduce the environment impact of our business				
Output		Lead	Progress	Comments
41	Develop a funding strategy for further upgrades to Dean Castle Country Park's outdoor toilets and car park to include LED lighting and EV charging points	CK		Working with the Council for confirmed costs and timescales for upgrading the outdoor toilets
42	Develop a funding strategy to enhance adventure and informal play at Dean Castle Country Park	CK		No update from previous quarter.

43	Develop an Urban Croft proposal, including funding strategy that focuses on Assloss Walled Garden, Assloss Stables, Assloss Car Park and the paddocks at Dean Castle Country Park	CK		Urban Croft Feasibility report completed, currently exploring alternative funding options.
PROTECTING OUR ENVIRONMENT				
Strategic Objective: To implement a Sustainable Transport Strategy which encourages active travel in all our operations and with our staff and customers				
Output		Lead	Progress	Comments
44	As part of the Ayrshire Roads Alliance led project team implementation of the Kilmarnock Green Infinity Loop, particularly as it goes through Dean Castle Country Park, Ayrshire Athletics Arena, Scott Ellis Playing Fields and Annanhill Golf Course	CK		No update from previous quarter.
45	Update the accessibility audit and associated action plan of the River Ayr Way and develop a funding strategy to carry out improvement works to tie in with the 20 th anniversary celebrations	CK		Accessibility Audit complete being revisited after recent storm, working with Ayrshire Roads Alliance in relation to bridges on the route.
46	Develop a funding strategy to upgrade and install additional electrical supply to Annanhill Golf Course to allow the move from diesel to electric golf carts	CK		Meetings held onsite with EAC and Fortress regarding power.



FINANCIAL PERFORMANCE

QUARTER 4

JANUARY - MARCH

2024/25



CONTENTS

SUMMARY STATEMENT	4
ANNUAL BUDGET	5
OVERALL NET POSITION	5
EXECUTIVE MANAGEMENT SERVICE ANALYSIS	11
SHARING OUR VISION ANALYSIS	13
INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES ANALYSIS	15
CREATING A SOLID FOUNDATION FOR GROWTH ANALYSIS	17
LEISURE AT THE HEART OF EVERY COMMUNITY ANALYSIS	19
LIVING YOUR BEST LIFE ANALYSIS	21
PROTECTING OUR ENVIRONMENT ANALYSIS	23
RESERVES	24
GENERAL PROJECTS	29
EXTERNAL FUNDING	32

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 2025.

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 2025 is an adverse variance of £29,932. This adverse variance can be met from existing uncommitted Reserves.

(Note £80k was released to uncommitted reserves from allocated reserves at Qtr 3)

This financial year has been a challenging year for the Trust managing the closure of the Palace/Grand Hall complex, providing alternative programming, relocation to Wallace Chambers and preparing for the changes in the upcoming financial year.

Additional expenditure on project works during the financial year has resulted in a higher element of Irrecoverable VAT.

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

There are further variances within Income and Expenditure, these are closely monitored and managed within the Service during the year where possible - Detailed explanation of variances can be found within individual Service Analysis.

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 2024/25 savings approved at 20th February 2024 Board meeting.

Service Division	Annual Budget 2024/25	Annual Budget 2024/25 Qtr 1	Annual Budget 2024/25 Qtr 2	Annual Budget 2024/25 Qtr 3	Annual Budget 2024/25 Qtr 4	Comments
EXECUTIVE MANAGEMENT		346,690	787,870	651,810	887,290	
SHARING OUR VISION		415,810	384,470	395,280	395,280	
INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES		615,660	617,510	658,930	852,010	
CREATING A SOLID FOUNDATION FOR GROWTH		198,780	162,990	172,770	172,770	
LEISURE AT THE HEART OF EVERY COMMUNITY		1,947,260	1,769,470	1,888,850	2,026,820	
LIVING YOUR BEST LIFE		994,760	921,050	976,690	1,063,970	
PROTECTING ENVIRONMENT		1,000,880	941,940	994,410	1,009,550	
TOTAL	5,638,300					
SAVINGS TO BE ALLOCATED	(181,000)					
TOTAL	5,457,300	5,519,840	5,585,300	5,738,740	6,407,690	
Management Fee	(5,457,300)	(5,502,030)	(5,506,930)	(5,604,370)	(5,921,660)	
Reserves	0	(17,810)	(78,370)	(134,370)	(486,030)	
TOTAL	0	0	0	0	0	

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

Column 1 refers to information for prior year; column provides final position for full prior year

Column 2 refers to the Service Areas

Column 3 provides the Annual Budget – this reconciles to the Annual Budget table above

Column 4 provides the Actuals to date (including commitments)

Column 5 provides Actual Expenditure as a % of Annual Budget

Column 6 provides anticipated projected position for end of financial year

Column 7 provides anticipated projected variance for current financial year – (Favourable)/Adverse)

Final column provides quick review of favourable/adverse position

TABLE A – OVERALL NET POSITION

Actual Out-turn to 31/03/24	Service Division	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/25	Variance (Favourable) / Adverse	
321,098	EXECUTIVE MANAGEMENT	887,290	857,243	97%	857,243	(30,047)	
404,249	SHARING OUR VISION	395,280	399,932	101%	399,932	4,652	
61,510	Vision Management Team	56,100	58,117	104%	58,117	2,017	
44,977	Visual Communications	41,680	41,958	101%	41,958	278	
192,788	Marketing & Tourism	191,860	195,280	102%	195,280	3,420	
35,509	Organisational Administration	33,180	34,166	103%	34,166	986	
69,466	Training & Engagement	72,460	70,412	97%	70,412	(2,048)	
720,572	INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES	852,010	821,616	96%	821,616	(30,394)	
65,532	People Management Team	67,880	62,956	93%	62,956	(4,924)	
45,027	Volunteer & Placement	44,680	42,254	95%	42,254	(2,426)	
164,741	Systems & Data	170,170	176,922	104%	176,922	6,752	
460,984	Corporate	587,710	555,825	95%	555,825	(31,885)	
(15,713)	Active Community Hubs	(18,430)	(16,341)	89%	(16,341)	2,089	
210,137	CREATING A SOLID FOUNDATION FOR GROWTH	172,770	181,071	105%	181,071	8,301	
59,298	Growth Management Team	55,110	56,088	102%	56,088	978	
42,846	Finance	64,150	43,926	68%	43,926	(20,224)	
78,982	Commercial (Hospitality & Retail)	11,830	65,779	556%	65,779	53,949	
29,012	Commercial (Business)	41,680	15,278	37%	15,278	(26,402)	
2,092,364	LEISURE AT THE HEART OF EVERY COMMUNITY	2,047,480	2,140,189	105%	2,140,189	92,709	
74,621	Community Management Team	94,800	70,824	75%	70,824	(23,976)	
342,438	Cultural Hubs	316,320	368,606	117%	368,606	52,286	
349,908	Lifestyle Hubs	470,760	486,783	103%	486,783	16,023	
991,496	Library Hubs	922,400	911,558	99%	911,558	(10,842)	
215,377	Sport Hubs	123,480	178,923	145%	178,923	55,443	
23,890	Sport Football	27,170	18,096	67%	18,096	(9,074)	
94,633	Management Arrangements	92,550	105,399	114%	105,399	12,849	
1,210,772	LIVING YOUR BEST LIFE	1,063,970	1,041,555	98%	1,041,555	(22,415)	

49,024	Best Life Management Team	61,560	29,983	49%	29,983	(31,577)	
159,986	Sports	156,410	173,691	111%	173,691	17,281	
511,206	Museums	511,490	535,641	105%	535,641	24,151	
354,871	Performing Arts	157,320	157,240	100%	157,240	(80)	
135,685	Visual Arts	177,190	144,999	82%	144,999	(32,191)	
1,069,350	PROTECTING OUR ENVIRONMENT	1,009,550	1,016,663	101%	1,016,663	7,113	
73,177	Environment Management Team	72,690	63,828	88%	63,828	(8,862)	
544,813	Sustainability	519,290	529,007	102%	529,007	9,717	
108,805	Estates	98,830	81,909	83%	81,909	(16,921)	
342,555	Countryside	318,740	341,919	107%	341,919	23,179	
6,028,543	TOTAL	6,428,350	6,458,270	100%	6,458,270	29,920	
(5,827,870)	Management Fee	(5,921,660)	(5,921,648)	100%	(5,921,648)	12	
200,673	TOTAL	506,690	536,622		536,622	29,932	
(214,340)	Trs From Reserves	(506,690)	(506,690)	100%	(506,690)	0	
(13,667)	TOTAL (after transfer from reserves)	0	29,932		29,932	29,932	

TABLE B – OVERALL NET POSITION

Actual Out-turn to 31/03/24	Service Division	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/25	Variance (Favourable) / Adverse	
(2,464,202)	Income From Charitable Activities	(2,282,010)	(2,582,086)	113%	(2,582,086)	(300,076)	
(5,827,870)	Management Fee	(5,921,660)	(5,921,648)	100%	(5,921,648)	12	
(8,292,072)	TOTAL INCOME	(8,203,670)	(8,503,734)	104%	(8,503,734)	(300,064)	
5,914,990	Employee Costs	5,542,690	5,517,493	100%	5,517,493	(25,197)	
80,245	Transport Costs	45,300	78,398	173%	78,398	33,098	
907,532	Premises Costs	926,210	1,022,516	110%	1,022,516	96,306	
1,192,096	Supplies & Services	1,793,110	2,011,661	112%	2,011,661	218,551	
32,680	Financing Costs	61,930	56,930		56,930	(5,000)	
187,400	Support Costs	187,400	187,400		187,400	0	
177,801	Governance Costs	153,720	165,958	108%	165,958	12,238	
8,492,745	TOTAL RESOURCES EXPENDED	8,710,360	9,040,355	104%	9,040,355	329,995	
200,673	NET POSITION	506,690	536,622		536,622	29,932	
(214,340)	Trs From Reserves	(506,690)	(506,690)	100%	(506,690)	0	
(13,667)	TOTAL (after transfer from reserves)	0	29,932		29,932	29,932	

Notes

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

Actual Out- turn to 31/03/24	EXECUTIVE MANAGEMENT	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out- turn to 31/03/25	Variance (Favourable) / Adverse
(5,827,870)	Executive Management	(5,034,370)	(5,064,405)	101%	(5,064,405)	(30,035)
(29,230)	Trs From Reserves	(193,910)	(193,910)		(193,910)	0
(5,857,100)	TOTAL OBJECTIVE ANALYSIS	(5,228,280)	(5,258,315)	101%	(5,258,315)	(30,035)
(133,393)	Income From Charitable Activities	0	(97,831)		(97,831)	(97,831)
(5,827,870)	Management Fee	(5,921,660)	(5,921,648)	100%	(5,921,648)	12
0	External funding	0	0		0	0
(5,961,263)	TOTAL INCOME	(5,921,660)	(6,019,479)	102%	(6,019,479)	(97,819)
330,212	Employee Costs	343,900	295,880	86%	295,880	(48,020)
0	Transport Costs	0	0		0	0
8,405	Premises Costs	1,660	56,712		56,712	55,052
83,172	Supplies & Services	521,950	558,700	107%	558,700	36,750
0	Financing Costs	0	0		0	0
0	Support Costs	0	0		0	0
32,701	Governance Costs	19,780	43,782	221%	43,782	24,002
454,490	TOTAL RESOURCES EXPENDED	887,290	955,074	108%	955,074	67,784
(5,506,772)	NET POSITION	(5,034,370)	(5,064,405)	101%	(5,064,405)	(30,035)
(29,230)	Trs From Reserves	(193,910)	(193,910)		(193,910)	0
(5,536,002)	TOTAL (after transfer from reserves)	(5,228,280)	(5,258,315)	101%	(5,258,315)	(30,035)

Comments

Executive Management encompasses Trust Board, Chief Officer, Executive Leads and Trust-wide activities, events and funding.

Executive Management

Favourable variance relates to management action being taken to support all the Trust Services, including income from External Events offset by unbudgeted premises costs relating to Moorfield Unit and additional cost of irrecoverable VAT.

SHARING OUR VISION ANALYSIS

Actual Out- turn to 31/03/24	SHARING OUR VISION	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out- turn to 31/03/25	Variance (Favourable) / Adverse
61,510	Vision Management Team	56,100	58,117	104%	58,117	2,017
44,977	Visual Communications	41,680	41,958	101%	41,958	278
192,788	Marketing & Tourism	191,860	195,280	102%	195,280	3,420
35,509	Organisational Administration	33,180	34,166	103%	34,166	986
69,466	Training & Engagement	72,460	70,412	97%	70,412	(2,048)
0	Trs From Reserves	0	0		0	0
404,249	TOTAL OBJECTIVE ANALYSIS	395,280	399,932	101%	399,932	4,652
(1,033)	Income From Charitable Activities	(1,500)	(5,100)	340%	(5,100)	(3,600)
(1,033)	TOTAL INCOME	(1,500)	(5,100)	340%	(5,100)	(3,600)
333,905	Employee Costs	317,630	313,947	99%	313,947	(3,683)
0	Transport Costs	0	255		255	255
0	Premises Costs	0	0		0	0
68,991	Supplies & Services	78,150	87,861	112%	87,861	9,711
0	Financing Costs	0	0		0	0
0	Support Costs	0	0		0	0
2,387	Governance Costs	1,000	2,969	297%	2,969	1,969
405,283	TOTAL RESOURCES EXPENDED	396,780	405,032	102%	405,032	8,252
404,249	NET POSITION	395,280	399,932	101%	399,932	4,652
0	Trs From Reserves	0	0		0	0
404,249	TOTAL (after transfer from reserves)	395,280	399,932	101%	399,932	4,652

Comments

Sharing Our Vision is responsible for Visual Communications; Marketing and Tourism; Organisational Administration; and Training and Engagement.

Sharing Our Vision

A small adverse position is primarily due to additional marketing required to promote alternative programme following closure of Palace and Grand Hall Complex.

INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES ANALYSIS

Actual Out- turn to 31/03/24	INVESTING IN OUR PEOPLE AND EMBRACING OUR VALUES	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out- turn to 31/03/25	Variance (Favourable) / Adverse
65,532	People Management Team	67,880	62,956	93%	62,956	(4,924)
45,027	Volunteer & Placement	44,680	42,254	95%	42,254	(2,426)
199,043	Systems & Data	170,170	176,922	104%	176,922	6,752
460,984	Corporate	587,710	555,825		555,825	(31,885)
(15,713)	Community Lettings Co Managed Centres	(18,430)	(16,341)		(16,341)	2,089
(14,460)	Trs From Reserves	(46,140)	(46,140)		(46,140)	0
740,414	TOTAL OBJECTIVE ANALYSIS	805,870	775,476	96%	775,476	(30,394)
(47,238)	Income From Charitable Activities	(31,200)	(28,267)	91%	(28,267)	2,933
(47,238)	TOTAL INCOME	(31,200)	(28,267)	91%	(28,267)	2,933
462,847	Employee Costs	482,270	493,278	102%	493,278	11,008
0	Transport Costs	0	423		423	423
14,800	Premises Costs	12,450	11,304	91%	11,304	(1,146)
103,021	Supplies & Services	155,340	112,818	73%	112,818	(42,522)
0	Financing Costs	0	0		0	0
187,400	Support Costs	187,400	187,400		187,400	0
34,045	Governance Costs	45,750	44,660	98%	44,660	(1,090)
802,112	TOTAL RESOURCES EXPENDED	883,210	849,883	96%	849,883	(33,327)
754,874	NET POSITION	852,010	821,616	96%	821,616	(30,394)
(14,460)	Trs From Reserves	(46,140)	(46,140)		(46,140)	0
740,414	TOTAL (after transfer from reserves)	805,870	775,476	96%	775,476	(30,394)

Comments

Investing in Our People and Embracing Our Values is responsible for Volunteer and Placement; Systems and Data; Corporate; and Community Lettings.

Investing in Our People and Embracing Our Values

A favourable position has been achieved primarily due to savings in Software Costs following in year implementation of Legend Booking System. This is non-recurring and full costs will be incurred in future years.

CREATING A SOLID FOUNDATION FOR GROWTH ANALYSIS

Actual Out- turn to 31/03/24	CREATING A SOLID FOUNDATION FOR GROWTH	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out- turn to 31/03/25	Variance (Favourable) / Adverse
59,298	Growth Management Team	55,110	56,088	102%	56,088	978
42,846	Finance	64,150	43,926	68%	43,926	(20,224)
78,982	Commercial (Hospitality & Retail)	11,830	65,779	556%	65,779	53,949
29,012	Commercial (Business)	41,680	15,278	37%	15,278	(26,402)
0	Trs From Reserves	0	0		0	0
210,137	TOTAL OBJECTIVE ANALYSIS	172,770	181,071	105%	181,071	8,301
(405,314)	Income From Charitable Activities	(440,360)	(432,595)	98%	(432,595)	7,765
(405,314)	TOTAL INCOME	(440,360)	(432,595)	98%	(432,595)	7,765
363,059	Employee Costs	360,220	324,503	90%	324,503	(35,717)
0	Transport Costs	0	0		0	0
2,241	Premises Costs	0	151		151	151
235,530	Supplies & Services	239,940	271,957	113%	271,957	32,017
0	Financing Costs	0	0		0	0
0	Support Costs	0	0		0	0
14,621	Governance Costs	12,970	17,056	132%	17,056	4,086
615,451	TOTAL RESOURCES EXPENDED	613,130	613,666	100%	613,666	536
210,137	NET POSITION	172,770	181,071	105%	181,071	8,301
0	Trs From Reserves	0	0		0	0
210,137	TOTAL (after transfer from reserves)	172,770	181,071	105%	181,071	8,301

Comments

Creating A Solid Foundation For Growth is responsible for Financial Reporting, Commercial and Hospitality Services.

Creating A Solid Foundation For Growth

An adverse position for Hospitality Service has been result of closure of Palace/Grand Hall and alternative provision within Community Venues. This adverse variance has been partially offset by vacancies within Growth Team along with income from Bank Interest Received.

Detailed review and evaluation of Hospitality Provision is currently ongoing following appointment of new Strategic Lead for Hospitality and Retail.

LEISURE AT THE HEART OF EVERY COMMUNITY ANALYSIS

Actual Out- turn to 31/03/24	LEISURE AT THE HEART OF EVERY COMMUNITY	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out- turn to 31/03/25	Variance (Favourable) / Adverse
74,621	Community Management Team	94,800	70,824	75%	70,824	(23,976)
342,438	Cultural Hubs	316,320	368,606	117%	368,606	52,286
349,908	Lifestyle Hubs	470,760	486,783	103%	486,783	16,023
991,496	Library Hubs	922,400	911,558	99%	911,558	(10,842)
215,377	Sport Hubs	123,480	178,923	145%	178,923	55,443
23,890	Sport Football	27,170	18,096	67%	18,096	(9,074)
94,633	Management Arrangements	92,550	105,399	114%	105,399	12,849
(20,570)	Trs From Reserves	(112,180)	(112,180)		(112,180)	0
2,071,794	TOTAL OBJECTIVE ANALYSIS	1,935,300	2,028,009	105%	2,028,009	92,709
(1,096,681)	Income From Charitable Activities	(1,049,910)	(1,038,890)	99%	(1,038,890)	11,020
(1,096,681)	TOTAL INCOME	(1,049,910)	(1,038,890)	99%	(1,038,890)	11,020
2,421,731	Employee Costs	2,211,640	2,239,084	101%	2,239,084	27,444
29,876	Transport Costs	12,830	23,181	181%	23,181	10,351
485,518	Premises Costs	506,440	538,247	106%	538,247	31,807
231,110	Supplies & Services	325,890	320,158	98%	320,158	(5,732)
9,100	Financing Costs	29,780	29,780		29,780	0
0	Support Costs	0	0		0	0
11,710	Governance Costs	10,810	28,630	265%	28,630	17,820
3,189,045	TOTAL RESOURCES EXPENDED	3,097,390	3,179,079	103%	3,179,079	81,689
2,092,364	NET POSITION	2,047,480	2,140,189	105%	2,140,189	92,709
(20,570)	Trs From Reserves	(112,180)	(112,180)		(112,180)	0
2,071,794	TOTAL (after transfer from reserves)	1,935,300	2,028,009	105%	2,028,009	92,709

Comments

Leisure at the Heart of the Community has responsibility for the operations of our community based facilities, which are split into 4 categories; Lifestyle Hubs, Sports Hubs & Pavilions, Library Hubs and Cultural hubs. The team also has responsibility for developing the regular programming within these venues e.g. Aquatics, Fitness and Readership programmes and to work with local partners adopting a place based approach to maximum the use of our venues and ensure we meet the needs of the local communities.

Community Management Team

£24k favourable position is a result predominantly of savings in staffing costs and savings made in year to offset adverse movements within the service.

Cultural Hubs

£52.2k adverse position is a result of long-term absence, bank staffing requirement and community space income not being able to meet target.

Lifestyle Hubs

£16K adverse position is a result of essential spend on equipment and maintenance resulting in additional irrecoverable VAT being offset by membership income performing better than target.

Library Hubs

£10k favourable position is a result predominantly of savings across staffing and vacancies not being filled in year.

Sport Hubs

£55.4k adverse position is a result predominantly of income shortfall across indoor hall hire being offset partially by savings across staff and expenditure.

Management Arrangements

£12.8k adverse variance has arisen due to additional property costs and income recovery being less than anticipated.

LIVING YOUR BEST LIFE ANALYSIS

Actual Out-turn to 31/03/24	LIVING YOUR BEST LIFE	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/25	Variance (Favourable) / Adverse
49,024	Best Life Management Team	61,560	29,983	49%	29,983	(31,577)
159,986	Sports	156,410	173,691	111%	173,691	17,281
511,206	Museums	511,490	535,641	105%	535,641	24,151
320,569	Performing Arts	157,320	157,240	100%	157,240	(80)
135,685	Visual Arts	177,190	144,999	82%	144,999	(32,191)
(105,650)	Trs From Reserves	(95,190)	(95,190)		(95,190)	0
1,070,820	TOTAL OBJECTIVE ANALYSIS	968,780	946,365	98%	946,365	(22,415)
(733,938)	Income From Charitable Activities	(712,520)	(812,199)	114%	(812,199)	(99,679)
(733,938)	TOTAL INCOME	(712,520)	(812,199)		(812,199)	(99,679)
1,104,211	Employee Costs	993,240	999,724	101%	999,724	6,484
11,636	Transport Costs	7,780	23,894	307%	23,894	16,114
302,159	Premises Costs	319,230	309,645	97%	309,645	(9,585)
420,505	Supplies & Services	387,250	487,682	126%	487,682	100,432
13,910	Financing Costs	22,480	17,480		17,480	(5,000)
0	Support Costs	0	0		0	0
57,987	Governance Costs	46,510	15,329	33%	15,329	(31,181)
1,910,408	TOTAL RESOURCES EXPENDED	1,776,490	1,853,754	104%	1,853,754	77,264
1,176,470	NET POSITION	1,063,970	1,041,555	98%	1,041,555	(22,415)
(105,650)	Trs From Reserves	(95,190)	(95,190)		(95,190)	0

Comments

Living Your Best Life is responsible for Sports; Museums, Performing Arts and Visual Arts. Remit includes the following venues – Dean Castle, Dick Institute, Grand Hall & Palace Complex, Ayrshire Athletics Arena, Annanhill Golf Course, Baird Institute, Burns House Museum & Library.

Best Life Management Team

Favourable position of £31.5k due predominantly to the resignation of the Strategic Lead (September 2024) who was not being replaced this financial year.

Sports

£17.3k adverse position due predominantly to additional bank staffing and essential equipment purchases for Ayrshire Athletics Arena.

Museums

£24k adverse position due to bank staff costs in covering DC vacancy, additional staffing through holiday period and providing additional support to Stores project.

Performing Arts

Panto and Big Top Live have been reviewed and evaluated. **This position includes an allocation of £150k from 2024-25 pension savings regarding loss of income relating to Palace and Grand Hall closure.**

Visual Arts

£32k favourable position predominantly due to the current year exhibition programme being met from MGTR funds held in Reserves.

PROTECTING OUR ENVIRONMENT ANALYSIS

Actual Out- turn to 31/03/24	PROTECTING OUR ENVIRONMENT	Annual Estimate 2024/25	Revised Actual Exp. to 31/03/25	Actual Exp as % of Annual Estimate	Actual Out- turn to 31/03/25	Variance (Favourable) / Adverse
73,177	Environment Management Team	72,690	63,828	88%	63,828	(8,862)
544,813	Sustainability	519,290	529,007	102%	529,007	9,717
108,805	Estates	98,830	81,909	83%	81,909	(16,921)
342,555	Countryside	318,740	341,919	107%	341,919	23,179
(44,430)	Trs From Reserves	(59,270)	(59,270)		(59,270)	0
1,024,920	TOTAL OBJECTIVE ANALYSIS	950,280	957,393	101%	957,393	7,113
(46,606)	Income From Charitable Activities	(46,520)	(167,204)	359%	(167,204)	(120,684)
(46,606)	TOTAL INCOME	(46,520)	(167,204)		(167,204)	(120,684)
899,026	Employee Costs	833,790	851,077	102%	851,077	17,287
38,733	Transport Costs	24,690	30,645	124%	30,645	5,955
94,410	Premises Costs	86,430	106,458	123%	106,458	20,028
49,767	Supplies & Services	84,590	172,486	204%	172,486	87,896
9,670	Financing Costs	9,670	9,670		9,670	0
0	Support Costs	0	0		0	0
24,351	Governance Costs	16,900	13,532	80%	13,532	(3,368)
1,115,956	TOTAL RESOURCES EXPENDED	1,056,070	1,183,868	112%	1,183,868	127,798
1,069,350	NET POSITION	1,009,550	1,016,663	101%	1,016,663	7,113
(44,430)	Trs From Reserves	(59,270)	(59,270)		(59,270)	0
	Designated Funds					0
	Trs To Reserves					0
1,024,920	TOTAL (after transfer from reserves)	950,280	957,393	101%	957,393	7,113

Comments
<p>Protecting Our Environment is responsible for Sustainability; Estates and Countryside.</p> <p>Note that large variances relate to one off works relating to Lugar Water Trails which was subsequently reimbursed by EAC.</p> <p><u>Countryside</u></p> <p>Adverse variance predominately relates to additional spend on staffing within Residential Centre at DCCP. Significant management action and promotion has been implemented to develop the Residential Centre which has resulted in some additional costs but has also ensured that the service has achieved the income target for the centre. Management are monitoring these costs and will incorporate these costs in future charging review.</p>

RESERVES AS AT 31ST MARCH 2025

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	2023/24 b/f	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	NOTES
RETAINED RESERVES	270,000	270,000						270,000	
UNUSEABLE RESERVES	89,942	211,092					56,930	154,162	
UNALLOCATED RESERVES	209,405	319,902						319,902	
ALLOCATED RESERVES	564,345	449,665		17,810	60,560	47,020	271,260	53,015	see Allocated Table
MGTR FUNDS	85,047	85,047		(48,596)		8,980	44,130	80,533	Allocations:- £86k - Malky McCormick Collection £6k - support Malky McCormick project £30k - Exhibition Programme 2024-25 £8k - support exhibition at Baird
FIXED ASSET RESERVE	34,920	34,920						34,920	
HOLIDAY PAY PROVISION	(60,874)	(60,874)						(60,874)	
TOTAL UNRESTRICTED RESERVES	1,192,785	1,309,753	0	(30,786)	60,560	56,000	372,320	851,659	

Allocated Reserves Analysis

ALLOCATED RESERVES	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
Box Office/Booking System	13,775			10,450			3,325	1 June 2021 Board, 28 June 2022 Board	Ongoing	
Climate Strategy	30,000			20,360			9,640	28 Nov 2023 Board	Ongoing	
Urban Farm - Feasibility Study	30,000				23,250		6,750	28 Nov 2023 Board	Ongoing	
IT Equipment linked to new Systems	10,000			8,450			1,550	20 June 2024 Board	Ongoing	
Potential NDR Liability	7,300				3,720	1830	1,750	20 June 2024 Board	Ongoing	
Regional Sports Park	30,000						30,000	20 June 2024 Board	Ongoing	
People Counters	0						0	28 June 2022 Board	Complete	Release balance as uncommitted
Valuations	0						0	28 June 2022 Board	Complete	Release balance as uncommitted
Wellbeing Initiatives - EA Gift Cards to staff	0						0	4 October 2022 Board	Complete	Release balance as uncommitted
10th Anniversary Events and Initiatives	2,910					2910	0	21 February 2023 Board	Complete	Release £16,720 as uncommitted
Uniforms	0						0	30 May 2023 Board	Complete	Release balance as uncommitted
Security Costs - Palace & Grand Hall	0						0	30 May 2023 Board	Complete	Release balance as uncommitted
Dean Castle - Visitor Safety Measures	0						0	30 May 2023 Board	Complete	Release balance as uncommitted

Growth Plan - Trading Subsidiary	10,000						10,000	0	20 June 2024 Board	Complete	Release balance as uncommitted
Equipment Replacement Programme	94,120		8,600		85520			0	28 June 2022 Board	Complete	Allocation approved by Executive Management; £45.8k + £10.75k transferred to Unuseable Reserves
24-25 Savings Balance	181,000						181000	0	20 Feb 2024 Board	Complete	
Collection Management Support (1 FTE Co-ordinator)	22,680		7,810	7,820			7,050	0	28 Sept 2023 Board	Complete	
Venue Equipment	3,000						3,000	0	28 June 2022 Board	Complete	
Secure Portal Upgrade	4,880			4,880				0	28 June 2022 Board	Complete	
Event Management	10,000		10,000					0	22 November 2022 Board	Complete	£10k still required, release balance as uncommitted
23-24 Savings Balance	0							0	21 February 2023 Board	Complete	redesignate as per note, release balance as uncommitted
IT Equipment - Corporate Services	0							0	1 June 2021 Board	Complete	Release balance as uncommitted
	0							0			
TOTAL ALLOCATED RESERVES	449,665	0	17,810	60,560	47,020	271,260	53,015				

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 01.04.24	Balance at 31.03.25	Expected Completion Date
KGIL Artworks Programme	EAC/ARA	£0	£770	Ongoing
Ayrshire Libraries Forum	North Ayrshire Council/South Ayrshire Council/East Ayrshire Council	(£3,707)	(£3,593)	Ongoing
VACMA	Creative Scotland / Other Ayrshire Authorities	£0	(£4,664)	Ongoing
Burns Birthday in Mauchline	Event Scotland	(£861)	(£861)	Mar 2027
Digital Storyteller in Residence	Scottish Book Trust	(£2,372)	(£2,372)	Mar 2025
SHOUT	EAC	(£3,684)	(£3,474)	Ongoing
Morton Hall and Library	EAC	£21,744	£3,998	Mar 2025
Wifi Project	EAC	(£24,700)	(£2,456)	Mar 2025
Foster Carer Service - Memberships	EAC	(£4,000)	(£4,000)	Ongoing
Youth Memberships	EAC	(£8,162)	(£7,562)	Ongoing
Annick Valley Leisure Facilities	EAC	(£198,144)	(£40,493)	Ongoing
Stewarton Dev Cont	EAC	(£49,464)	(£32,048)	Ongoing

Patna Leisure Facilities	EAC	(£810)	(£810)	Ongoing
Nature Therapy Breaks	Shared Care Scotland	(£12,952)	(£501)	Mar 2024
Celebration Wood	n/a	£0	(£2,100)	Ongoing
Leisure Facility Strategy	EAC	(£0)	£1,830	Mar 2025
Parental Employability - Work Experience	EAC	(£1,323)	(£1,133)	Mar 2024
Civic Centre Set Up	EAC	£0	£37,429	Dec 2025

Additional Information

KGIL Artworks Programme – This project is being managed by East Ayrshire Leisure Trust in conjunction with Ayrshire Road Alliance.

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.

VACMA – Visual Arts and Craft Makers Awards – East Ayrshire Leisure Trust is taking lead from 2024/25. Creative Scotland contribute £6k funding along with £1k from each of the 3 Ayrshire authorities

Burns Birthday in Mauchline – The project which was funded by Event Scotland has now come to an end. There is a surplus balance which Event Scotland have said we can use towards future support of cultural programme for Scotland's Winter Festival planning. The team are drafting a proposal to utilise the balance and it is anticipated funds will be utilised by end of 2024-25.

Digital Storyteller in Residence - The project which was funded by the Scottish Book Trust has now come to an end. There is a surplus balance which Scottish Book Trust have said we can use towards further Digital Storytelling activities. The team are drafting a proposal which will support the digital infrastructure in conjunction with Library Mobile Services. It is anticipated funds will be utilised by end of 2024-25.

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.

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.

Stewarton Dev Contr – With reference to the cabinet report of 31st May 2023, £49,464 has been allocated from developer contribution funds towards leisure projects in Stewarton.

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.

Nature Therapy Breaks – Working with East Ayrshire Council Children and Disabilities Team, we hosted family groups staying throughout the school holiday periods. The staff thoroughly enjoyed working with the families to ensure opportunities were suggested to suit all requirements. When asked what difference the break had made for the young people, their responses were overwhelmingly positive and in most instances attendees noted benefits to their mental health and wellbeing.

Celebration Wood - Sponsorship Income to be gathered here until a sufficient fund is achieved to progress purchase of trees and planting

Leisure Facility Strategy – Following the publication of the Leisure Facility Strategy 2020-2030, East Ayrshire Council allocated £500k for their capital programme to implement the priorities for the period 2020-2025. A cross service leisure facility action plan has been produced to identify and implement the priorities for this funding.

Parental Employability – Work Experience – Funding was secured from EAC to deliver a work experience project with Parental Employability. The scheme is aiming to give parents who are interested in working in the outdoors some practical experience and training.

Civic Centre Set Up – EAC have allocated funding to assist the Trust with setting up Wallace Chambers as new Head Office.

EXTERNAL FUNDING

Notes:

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

EXTERNAL FUNDING APPROVED APPLICATIONS

(*denotes funding not available to East Ayrshire Council)

EXTERNAL FUNDING APPROVED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Received in 2024/25
Living Your Best Life	Museums Galleries Scotland - Malky McCormick Project	£9,800	£0
TOTAL		£9,800	£0

NO APPLICATIONS DECLINED IN QTR 4

TRUST BUDGET 2025/26

Date: 13 May 2025

Agenda Item: 5

Report By: Anneke Freel, Chief Officer

1 PURPOSE OF REPORT

- 1.1 This report confirms the Trust's budget position for 2025/26 and shows how the savings target of £120,000 will be achieved.

2 BACKGROUND

- 2.1 East Ayrshire Council have confirmed a savings requirement of £120,000 to be achieved by the Trust in 2025/26.
- 2.2 On the 6 February 2024, the Trust Board approved the Trust Budget for 2024/25 with the savings requirement of £181,000 being temporarily funded from Reserves.
- 2.3 Further to East Ayrshire Council's Leisure Review Vibrant Communities service and the Galleon Centre transferred to East Ayrshire Leisure Trust on the 1st April 2025 with further services scheduled to transfer on the 18th August 2025, the services include Community and Corporate Catering along with Instrumental Music and Creative Minds.

3 SAVINGS IN 2025/26

- 3.1 It is proposed that the savings of £151,000 are met through efficiencies from revenue budgets in 2025/26 and the remaining £150,000 savings requirement are temporarily funded from Reserves. This will enable the Trust to establish the Trading Subsidiary and implement the Growth Plan. Executive Management are committed to identifying a permanent allocation of these savings and will identify opportunities during the current financial year.

4 DRAFT ANNUAL BUDGET FOR 2025/26

- 4.1 The table below outlines the draft Trust budget for 2025/26 and includes the savings outlined above.
- 4.2 Note that these figures only relate to previous Trust services and services which transferred on 1 April 2025.
- 4.3 Figures relating to services scheduled to transfer on the 18th August 2025 are currently subject to discussion with the Council and a pro-rata value will be awarded for 2025/26 with full annual value for 2026/27.

PERFORMANCE & AUDIT SUB COMMITTEE



TRUST	Annual Budget 2024/25 as at Qtr 4	Reserves Adjustments	Base Annual Budget 2024/25	2025/26 Adjustments	2025/26 Savings	Draft Annual Budget 2025/26
Existing Trust	6,221,010	(299,350)	5,921,660	286,390	(120,000)	6,088,050
Galleon			139,790			139,790
Vibrant Communities			2,752,840			2,752,840
TOTAL	6,221,010	(299,350)	8,814,290	286,390	(120,000)	8,980,680
Management Fee	(5,921,660)		(8,814,290)	(286,390)	120,000	(8,980,680)
Reserves	(299,350)	299,350	0			0
TOTAL	0	0	0	0	0	0

Recommendation/s:

It is recommended that Trustees:

- i. Approve the budget position shown in this report; and
- ii. Otherwise note the content of this report.

Signature:

Annette Freal

Designation: Chief Officer

Date: 1 May 2025

PERFORMANCE & AUDIT SUB COMMITTEE



EXTERNAL AUDIT PLAN 2024/25

Date: 13 May 2025

Agenda Item: 6

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

I PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the External Audit Plan for 2024/25 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 I to this report. The document details the work plan which will underpin the 2024/25 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 2025, and this will allow the audited accounts to be presented to the AGM and then to the Council as part of the 2024/25 performance report.

Recommendation/s:

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

- i. Consider and note the External Audit Plan for 2024/25; and
- ii. Otherwise note the content of this report.

Signature: Lorraine Russell

Designation: Strategic Lead – Creating a Solid Foundation for Growth

Date: 1 May 2025



Audit Plan

East Ayrshire Leisure Trust

Year ended 31 March 2025



Strictly Private & Confidential

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

Our ref: SACH/SALO/EASTAL01
10 April 2025

Dear Sirs

**East Ayrshire Leisure
Audit plan for the year ended 31 March 2025**

We are writing to confirm the audit arrangements in respect East Ayrshire Leisure Trust ('the Trust') for the year ended 31 March 2025.

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/about-us/policies-legal/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



Sally Cheeney
Senior Statutory Auditor
Azets Audit Services

We are an accounting, tax, audit, advisory and business services group that delivers a personal experience both digitally and at your door.

Accounting | Tax | Audit | Advisory | Technology

Azets Audit Services is a trading name of Azets Audit Services Limited. Registered in England & Wales. Registered No. 09652677.
VAT Registration No. 219 0608 22. Registered office: 2nd Floor, Regis House, 45 King William St, London EC4R 9AN. Registered to carry on audit work in the UK under Firm Number COO4632199 and regulated for a range of investment business activities by the Institute of Chartered Accountants in England & Wales. The term 'Board Director' is used to refer to a statutory director and principal of the company as registered at Companies House. Any other designations that include the term 'Partner' or 'Director' are not registered statutory directors or principals of the registered company.

Contents

1.	Audit scope and general approach	2
2.	Significant and other risks of material misstatement	5
3.	Audit team and timetable	8
4.	Fees	9
5.	Audit independence and objectivity	10
6.	Use of this letter	11
7.	Confirmation of arrangements	12
	Appendix: Implications of Revised Auditing Standards for periods commencing on/after 15 December 2021	13
	Appendix: Materiality	16

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 our letter of engagement dated 10 April 2025.

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 we 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.

We are an accounting, tax, audit, advisory and business services group that delivers a personal experience both digitally and at your door.

Accounting | Tax | Audit | Advisory | Technology

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.

As per Materiality Appendix, any identified errors greater than £9,700 (based on prior year figures) will be recorded and discussed with you and, if not adjusted, confirmed as immaterial as part of your letter of representation to us. This will be updated once 2025 figures are available.

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.

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.

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
<p>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.</p> <p>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</p> <p>Risk of material misstatement: Very High</p>	<p>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.</p> <p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> • Review of accounting estimates, judgements and decisions made by management; • Testing of journal entries; and • Review of any unusual significant transactions.
<p>Going concern 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.</p>	<p>In respect of going concern for each entity, we will review:</p> <ul style="list-style-type: none"> • 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

We are an accounting, tax, audit, advisory and business services group that delivers a personal experience both digitally and at your door.

Accounting | Tax | Audit | Advisory | Technology

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: <ul style="list-style-type: none"> Revenue (Occurrence): Very High Revenue (Completeness, Cut-off, Accuracy, Presentation & classification): High 	<p>Whilst we do not suspect any incidences of fraud or error, we will evaluate each type of income transaction and document our conclusions.</p> <p>Procedures performed to mitigate risks of material misstatement in this area will include:</p> <ul style="list-style-type: none"> Review and testing of revenue recognition policies; Detailed substantive testing on material revenue streams; and Substantive analytical procedures.
Expenditure on charitable activities Given the Trust can receive restricted revenue, accounting for the expenditure can be more complex. It is important that we ensure that purchases are correctly incurred and allocated. Inherent risk of material misstatement: Expenditure (Accuracy): Medium	<p>We will perform sufficient substantive testing to gain assurance that expenditure has been correctly incurred and authorised.</p>
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 data held by the pension fund and have regard to local factors such as mortality rates and expected	<p>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</p>

We are an accounting, tax, audit, advisory and business services group that delivers a personal experience both digitally and at your door.

Accounting | Tax | Audit | Advisory | Technology

pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate.

agree the disclosures in the financial statements to information provided by the actuary.

Inherent risk of material misstatement:

- Pensions (Existence, Completeness, Accuracy, valuation & allocation, Rights & obligations): **High**

3. Audit team and timetable

Audit team

Our audit team will be as follows:

Role	Name	Email
Senior Statutory Auditor	Sally Cheeney	Sally.Cheeney@azets.co.uk
Manager	Sarah Lowe	Sarah.Lowe@azets.co.uk
Senior(planning)	Frances Walker	Frances.Walker@azets.co.uk
Senior (fieldwork)	Ben Houston	Ben.Houston@azets.co.uk
Associate	Adam Ross	Adam.Ross@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	27 February 2025
Accounts information to be provided to Azets	30 April 2025
Performance & Audit Sub Committee at which the external audit plan will be considered	13 May 2025
Final audit	9 June 2025
Audit Committee/Board meeting	19 August 2025
Target date of approval of accounts	9 September 2025
Statutory filing deadline	31 December 2025

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.

4. Fees

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

	Agreed fee £
Audit of Financial Statements	24,500

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.

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 2025	Fees 2024	Type of threat	Safeguard
Preparation of statutory accounts	£7,150	£6,490	Self-review	<p>Trustees to sign and approve all adjustments made to the financial statements.</p> <p>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.</p>
CTax compliance	TBC	£2,930	Self Review	Work is performed by a separate team who are not involved in the delivery of audit services.
Adhoc Tax and VAT services (Tax report on c tax and VAT implications of new subsidiary)	£10,000	£nil		<p>The report provided options only and it was informed management's responsibility to take the final decision.</p>

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.

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 sincerely / faithfully



Sally Cheeney
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

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	<p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> • 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. <p>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.</p>

We are an accounting, tax, audit, advisory and business services group that delivers a personal experience both digitally and at your door.

Accounting | Tax | Audit | Advisory | Technology

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

	<p>risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud.</p> <p>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.</p>
Enhanced requirements relating to exercising professional scepticism	<p>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.</p> <p>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.</p>
Using the right resources, in the right way, at the right time	<p>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.</p> <p>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.</p>

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 2025 was calculated as follows.

	Value (£)	Basis(£)	Explanation
Overall materiality for the financial statements	195,000	2% of prior year income	Accounts materially misstated where total errors exceed this value.
Performance materiality	146,000	75% of overall materiality	Work performed to capture individual errors at this level.
Trivial threshold	9,700	5% of overall materiality	All errors greater than this are reported.

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

INTERNAL AUDIT PLAN

Date: 13 May 2025

Agenda Item: 7

Report by: Jackie Biggart, Executive Lead: People, Policy & Performance

I PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide Trustees with an update on prior audit assignments and to outline the proposed Internal Audit Plan 2025/26 for consideration and approval.

2 BACKGROUND

- 2.1 East Ayrshire Leisure Trust continues to gain support from East Ayrshire Council's Internal Audit team through the Service Level Agreement. 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 undertakes for the Council such as audits of payroll and accounts payable; these are shared systems operated by both the Council and the Trust. A Rolling Assurance Programme has also been concluded for Heritage Assets held by the Trust on behalf of the Council. This work focused on the physical checking of museum artefacts across various locations with a focus on high financial value assets. Any findings following the schedule of visits will be shared between the Council and the Trust.
- 2.3 The following work was undertaken throughout 2024/25, with the following assignments undertaken:

Assignment Title	Type of Audit Activity	Description
Advisory Contingency	Advisory	The assessment was to include providing advice on internal controls, risk management and governance in relation to the establishment of a trading subsidiary. Update: During 2024/25 we did not require the service of Internal Audit. However, should advice be needed in the future it will be considered in terms of risk-based priorities.
Stock and Inventory Controls	Systems Review	Complete Update: Review complete resulting in 2 recommendations.
Library Stock – Equalities and Human Rights	Regularity	Complete Update: Assessment complete resulting in 1 recommendation.
Review of Performance Monitoring Arrangements	Follow Up Review	Complete Update: There were 3 recommendations; 1 recommendation was sufficiently implemented while 2

		of the 3 recommendations were sufficiently implemented with some further action required. The further action related to Organisational Learning and Key Performance Indicators. These have now been actioned.
Review of key documents	Follow Up Review	Complete Update: There were 2 recommendations; a review of the updated Equality, Diversity & Inclusion Policy Statement including staff training was fully implemented while a review of the Dean Castle Emergency Salvage Plan was considered sufficiently implemented with a further recommendation for the Chief Officer to liaise with the Council's Health & Safety Team regarding further opportunities to test the plan. This has now been actioned.
Shared Site – Gym & Sports Equipment	Follow Up Review	Complete Update: A review of the 2 recommendations confirmed that 1 action had been fully implemented, this related to a review of the Service Level Agreement with the Council while another recommendation required some further action. This involved an extensive inventory of all equipment within shared sites. This is ongoing.

- 2.4 Due to competing priorities throughout 2024/25 and other pressing deadlines it was decided that the following audits scheduled for 2024/25 will now be considered as part of the 2025/26 audit plan. These include; Protection of Property & People (follow up), Stock & Inventory Controls (follow up), Library Stock - Equalities & Human Rights (follow up) and Review of Corporate Delivery Plan (follow up). This decision was reached with the Chief Officer and Internal Audit.

3 PROPOSED AUDIT PLAN 2025/26

- 3.1 The Senior Management Team in conjunction with Internal Audit have given the 2025/26 Internal Audit Plan consideration and the following programme is now submitted for consideration and approval:-

Assignment Title	Type of Audit Activity	Description
Protection of Property & People	Follow Up Review	To assess the implementation of the recommendations within initial report.
Stock & Inventory Controls	Follow Up Review	To assess the implementation of the recommendations within initial report.
Library Stock – Equalities & Human Rights	Follow Up Review	To assess the implementation of the recommendations within initial report.
Corporate Delivery Plan	Follow Up Review	To assess the implementation of the recommendations within initial report.

PERFORMANCE & AUDIT SUB COMMITTEE



Mystery Shopping	Advisory	Consider internal/external options to replace the Mystery Shopping exercise previously carried out by VisitScotland.
Cash Handling – Lunch Club	Follow Up Review	To assess the implementation of the recommendation within initial report.
Cash Handling – Supported Accommodation	Regularity	Review cash handling arrangements, including cash collected for daytrips/parties ensuring that they comply with current policies and procedures.

4. CONCLUSION

- 4.1 It is essential that the audit plan 2025/26 remains flexible and if there is a requirement to react to unplanned or adhoc work, the Audit Plan will be reviewed with Internal Audit and Trustees updated accordingly.

Recommendation/s:

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

- i. Consider and approve the Internal Audit Plan 2025/26 as proposed in this report;
- ii. Otherwise, note the content of this report.

Signature: Jackie Biggart

Designation: Executive Lead: People, Policy & Performance

Date: 6 April 2025