

# PERFORMANCE & AUDIT SUB COMMITTEE



Date: 22 May 2017

Location: St Joseph's Leisure Centre

Start time: 6pm

<b>AGENDA</b>			
<b>AGENDA ITEM</b>	<b>FOR NOTING</b>	<b>FOR DISCUSSION</b>	<b>FOR APPROVAL/ DECISION</b>
1. Apologies for Absence	✓		
2. Declarations of Interest	✓		
3. Notes of Previous Meeting – 13 February 2017 (pages 1-3)	✓		
4. Internal Audit Programme – 2017/18 / Internal Audit Follow Ups (pages 4-46)			✓
5. Performance Report April 2016 to March 2017 (pages 47-110)			✓
6. External Audit Plan 2016/17 (pages 111-128)			✓
7. Staff Recognition Awards (pages 129-154) (Confidential Paper)			✓
8. AOCB			
9. Dates of Next Meetings: Trust Board: 6 June 2017 Performance & Audit Sub Committee: 21 August 2017			

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## Agenda Item 3

### PERFORMANCE AND AUDIT SUB-COMMITTEE

#### MINUTES OF MEETING HELD ON MONDAY 13 FEBRUARY 2017 AT 1800 HOURS IN ST JOSEPH'S LEISURE CENTRE, GRASSYARDS ROAD, KILMARNOCK

**PRESENT:** Independent Trustee Robin Hume; Councillors Eòghann MacColl and Neil McGhee; and Independent Trustees Elizabeth Young and June Minnery.

**ATTENDING:** John Griffiths, Chief Executive; Jackie Biggart, Central Support Manager; Lorraine Russell, Senior Accountant, Chris Murphy, Sports and Community Venues Manager and Shirley Andrews, Training and Development Officer, all East Ayrshire Leisure Trust; and Gillian Hamilton, Democratic Services Officer, East Ayrshire Council.

**CHAIR:** Independent Trustee Robin Hume.

#### DECLARATIONS OF INTEREST

- I. No declarations of interest were intimated.

#### MINUTES OF PREVIOUS MEETING

2. There were submitted and approved as a correct record the Minutes of the Performance and Audit Sub-Committee meeting held on 14 November 2016 (circulated).

#### PERFORMANCE REPORT OCTOBER-DECEMBER 2016

3. There was submitted a report dated 25 January 2017 (circulated) by the Chief Executive which provided the Board with a summary of the performance of Trust services for the period October to December 2016 and highlighted significant aspects of performance for Trustees' consideration.

It was agreed:-

- (i) to approve the East Ayrshire Leisure Performance report for October to December 2016;
- (ii) to note the significant progress made towards the achievement of Action Plan objectives in the East Ayrshire Leisure Performance report and that the programme of development activities had been particularly successful in maintaining attendance figures. By comparison, the EPMS Performance Scorecard, which showed expected levels of performance across the main measured priorities, indicated that action was required in relation to overall attendances at Sport and Community Venues. The difference between the two reports was attributed to profiling and a detailed explanation was given at the meeting. The progress against Action Plan objectives better reflected the true position and the range of activity compared to the raw attendance figures shown in the EPMS Scorecard. Overall attendances at Sport and Community Venues were expected to outturn on projected target at year end. The EPMS Scorecard was to be changed at the end of the year and it was important to influence the new arrangement to improve profiling. Trustees were delighted with the 13% increase in attendance figures across venues during the 9 month period, as shown in the Performance Report. A detailed analysis of attendance figures was available on the Trust's information portal, including a comparison against previous reporting periods. The attendance target in the Action

plan might need another look, depending on the Trust's budget allocation going forward. In addition, the asset transfer programme continued to impact on attendance levels.

- (iii) to note the financial performance, overall net position, that a financial surplus of £71,750 was currently projected and it was envisaged that this sum, together with unallocated reserves, would be utilised to assist in the management of the £141,090 2016/17 budget savings yet to be identified. Golf had moved to Countryside Services from 1 October 2016;
- (iv) to note that the best value review of East Ayrshire Leisure Trust was nearing completion and the findings would be reported to the next Board meeting;
- (v) to note the timescale for consideration of funding for the 2016 fireworks event – the application would be submitted to the Grants Committee on 8 June 2017;
- (vi) to note in relation to the EPMS Performance Scorecard indicators requiring intervention (a) the factors affecting “customer visits to Sport and Community Venues”: more competition with other facilities including Ayrshire College, venues being quieter over the Xmas period and people generally having less money to spend on leisure. Spaces in the programme were being promoted with a view to filling them, in particular on the basis of block bookings rather than pay and play. Recognising the Trust's charitable purpose, the pricing structure should be kept under review to enable people to make use of facilities; and (b) that 10 longer-term sickness absences had affected the “average days lost per employee”. Bespoke training was being introduced as part of the sickness absence management process. This initiative was commended by the Trustees;
- (vii) that the Chief Executive raise with the Project Board the issue of lack of toilet facilities at Dean Castle Country Park during the programme of works currently underway, to identify whether temporary facilities could be provided;
- (viii) to note that the format current Risk Register would continue until the end of this year, pending introduction of the new format developed in response to the outcomes of the Trustee Development Session on this topic. A follow-up report on data protection would come forward to the Performance and Audit Sub Group meeting in May; and
- (ix) otherwise, to note the contents of the report.

### **STAFF RECOGNITION AWARDS**

4. There was submitted a report dated 25 January 2017 (circulated) by the People and Finance Manager which sought approval for the first Staff Recognition Awards.

It was agreed:-

- (i) to approve the nominations for the external awards of 'Delivering Excellent Customer Service' and the internal award of 'Going the Extra Mile', and to arrange appropriate publicity;
- (ii) having heard Shirley Andrews on the arrangements proposed for revising the Staff Recognition Award Scheme, to approve the proposed revisions, subject to further consideration of the language in the proposed nomination criteria for “Going the Extra Mile”
- (iii) to note that promotion of the Staff Recognition Awards would be ongoing to generate interest and encourage nominations; and
- (iv) otherwise, to note the contents of the report.

### **DATES OF NEXT MEETINGS**

5. Trust Board – Noted that the next scheduled date of 28 February 2017 was likely to change to 6 March 2017, to be confirmed with Trustees; and  
Performance and Audit Sub-Committee - 22 May 2017.

The meeting terminated at 1905 hours.

## INTERNAL AUDIT REPORT

Date: 22 May 2017

Agenda Item: 4

Report by: Jackie Biggart, People & Finance Manager

### Summary

The purpose of the report is to provide Trustees with an update following the completion of the Internal Audit Programme for 2016/17 and provide details of the proposed Internal Audit Programme for 2017/18 for consideration and approval.

In addition the report provides details of two separate visits from HMRC focusing on PAYE and VAT.

## 1. BACKGROUND

1.1 At the meeting on 23 May 2016, the Performance & Audit Sub Committee approved 3 follow up audits to be undertaken during 2016/17, these were:-

- Location Audit – Auchinleck Leisure Centre
- Hospitality Service – Palace Theatre/Grand Hall
- Ticketing & Booking System

1.2 The Audit Plan for 2016/17 stated that the process relating to Programme Development/Event Selection was being reviewed, however, this has not been possible due to the number of recommendations within the Hospitality Service which required an additional allocation of days and the timing of the review. It is therefore recommended that Programme Development/Event Selection be reviewed as part of the 2017/18 plan.

1.3 The Trust's Business Support Officer had the benefit of spending some time with Internal Audit discussing and accompanying them on a location audit, all of which will prove beneficial in the future when developing the Trust's own internal processes.

## 2. INTERNAL AUDIT PROGRAMME 2016/17 - UPDATE

2.1 The Internal Audit follow up report for Auchinleck Leisure Centre is attached as an Appendix 1 to this report for Trustees' information. The report confirms that all recommendations have been implemented which gives us the assurance that essential controls and procedures are in place and are being adhered to.

2.2 The follow up audit relating to the Hospitality Service is attached as Appendix 2. The report states that 9 of the 16 recommendations have been fully implemented, giving a 56% implementation rating. The Business Support Officer, will provide the Palace Theatre Manager with the necessary support to ensure that the outstanding recommendations are implemented.

2.3 The Ticketing & Booking System report has also been attached as Appendix 3. The follow up report concludes that 8 out of 11 original recommendations have been fully or sufficiently implemented, giving an implementation rate of 73%. Where an action remains outstanding the Service Manager has given an assurance that the outstanding recommendation will be implemented, within an agreed timescale.

### 3. PROPOSED INTERNAL AUDIT PROGRAMME 2017/18

- 3.1 As per the Service Level Agreement East Ayrshire Leisure is assigned 25 days of Internal Audit time, this does not include any time that is required to investigate and report on any significant issues which require audit input throughout the year.
- 3.2 The Chief Executive and Senior Management Team have given the 2017/18 programme consideration in consultation with Internal Audit and the following programme is now submitted for consideration and approval:
- Programme Development/Event Selection (2 days)
  - Location Visit – Loudoun Leisure Centre (5 days)
  - Repair/Maintenance Monitoring (5 days) – to review processes developed by East Ayrshire Leisure and EAC with regards to statutory inspection and adhoc maintenance/repair works.
  - Management Support (3 days) – support/advice provided as required to the Chief Executive/Senior Management Team
  - Governance & Risk Management (10 days) - guidance issued by OSCR on the governance and risk arrangements relating to charitable organisations has recently been updated. As part of this review we would look to verify compliance with the guidance, and review the adequacy of risk and governance systems currently in place, including risk registers.

### 4. ASSURANCE VISITS

- 4.1 The External Audit conducted by Scott Moncrieff during June and reported to the AGM on 13<sup>th</sup> September stated that there were no significant weakness identified during the process resulting in no management actions.
- 4.2 VAT Review - On 20 October, 2016 HMRC undertook a compliance check with regard to our Vat returns and the systems we have in place to accurately record all VAT transactions. No issues were raised during the visit and there was no further review required.
- 4.3 On 23 March 2017 HMRC undertook a compliance check in relation to our PAYE responsibilities. The visit involved a range of documents being reviewed to ensure that we are paying the right amount of tax at the right time and paying the right allowance and tax relief. No significant issues were raised however a further review of the process we currently adopt with regards to the Staff Recognition Award and Let's Connect Scheme is being carried out by HMRC.

#### Recommendation/s:

It is recommended that the Sub-Committee:

- Note the content and the findings of the follow up audits carried out by East Ayrshire Council's Internal Audit Service;
- Approve the proposed Internal Audit Programme 2017/18; and
- Otherwise note the content of the report

Signature: Jackie Biggart

Designation: People & Finance Manager

Date: 5 April 2017

# **internal**audit

## **Follow-up Auchinleck Leisure Centre**

East Ayrshire Leisure Trust

## READERSHIP

### East Ayrshire Leisure Trust

Chief Executive - East Ayrshire Leisure Trust.....John Griffiths  
People & Finance Manager..... Jackie Biggart

## INTERNAL CONTROLS

In order to ensure the proper conduct of its business, the East Ayrshire Leisure Trust has a responsibility to develop and implement systems of internal control. It is primarily the responsibility of management to ensure that internal controls are in place and are operating effectively.

A sound control environment will help to safeguard assets, ensure records are reliable, promote operational efficiency and ensure adherence to East Ayrshire Leisure Trust policy and procedures. Such systems of internal control provide reasonable (but not absolute) assurance against loss.

The work of the Internal Audit Section in East Ayrshire Council is carried out in line with the Public Sector Internal Audit Standards (PSIAS). The PSIAS defines internal auditing as “an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.

### **For further information on this document, contact:**

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# Follow-up Auchinleck Leisure Centre

Internal Audit Assignment East Ayrshire Leisure  
Audit Report



East Ayrshire  
COUNCIL

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## AUDIT ASSIGNMENT STAFF

Lead Auditor ..... Lynn Ferguson  
Review Auditor.....Dougal Watt

# Follow-up Auchinleck Leisure Centre

## Internal Audit Assignment East Ayrshire Leisure Audit Report



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### **1 INTRODUCTION**

- 1.1 In 2015 Internal Audit conducted regularity audit at the East Ayrshire Leisure Trust's (EALT) Auchinleck Leisure Centre. The audit report following that review was issued on 11<sup>th</sup> May 2016 and contained four recommendations designed to improve the control environment in that area.
- 1.2 Internal Audit has now completed a follow-up review to assess the extent of implementation of those recommendations. This report contains the results of the follow-up review.
- 1.3 During this follow-up visit we were supported by the EALT Business Support Officer; allowing her to develop her knowledge and awareness of internal control verification.

### **2 PRESENTATION OF AUDIT FINDINGS**

- 2.1 Appendix One – Follow-Up Matrix, gives a brief description of the progress and assessment of implementation of each of the four recommendations.

### **3 CONCLUSION**

- 3.1 Internal Audit has completed a follow up review of Auchinleck Leisure Centre and found that all of the four recommendations have been fully implemented, giving a 100% implementation rating.

### **4 ACKNOWLEDGEMENTS**

- 4.1 The Internal Audit Section would like to express their thanks to EALT staff and in particular the Auchinleck Leisure Centre staff who provided co-operation and assistance during this assignment.

# Follow-up Auchinleck Leisure Centre

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



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## APPENDIX 1 – FOLLOW-UP MATRIX

No.	Recommendation	Priority	Progress to date	Further action required
<b>Income</b>				
1.	The Centre should display a sign advising customers to expect a receipt and offer receipts to all customers.	Medium	We made an unannounced visit to the Leisure Centre on 9/3/17 and established that a sign is displayed prominently at the reception desk, advising that a receipt is provided to all customers.	Implemented No further action required
<b>Security</b>				
2.	The Premises Manager should maintain a list of all keys relating to the centre and the delegation of specific keys, particularly keys to safes, should be noted on this record. Delegated key holders should sign the record to indicate acceptance of the responsibility for the keys.	Medium	On the visit to the centre on 9/3/17 we examined a list of keys maintained for the centre and the record of key holders acknowledging the responsibility for the keys.	Implemented No further action required

# Follow-up Auchinleck Leisure Centre

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



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No.	Recommendation	Priority	Progress to date	Further action required
<b>Inventory</b>				
3.	The centre inventory should be maintained on a continuous basis as required by APB11B.	Medium	<p>We confirmed with Team Leader and centre staff that they were familiar with the requirements of the APB11B.</p> <p>During the visit to the centre an inventory check of a small number of items was undertaken. This established that the inventory records for these items were up to date. The bouncy castle previously not included on the inventory records has now been added.</p> <p>There was evidence that the last full inventory check was undertaken in December 16 with the year-end check due at the end of March.</p>	<p>Implemented</p> <p>No further action required</p>
4.	Equipment belonging to the Leisure Trust should be marked appropriately to allow their equipment to be easily distinguished from equipment that belongs to the school.	Medium	<p>During the inventory check undertaken as stated above we verified that Leisure Trust equipment had been marked so as to distinguish their equipment from those that belong to the school.</p>	<p>Implemented</p> <p>No further action required</p>

# **internal**audit

## **Follow-up Audit – Palace Theatre Hospitality Stock Control**

Leisure Trust

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**READERSHIP**

**Client Department – East Ayrshire Leisure Trust**

Chief Executive East Ayrshire Leisure Trust ..... John Griffiths  
 People & Finance Manager ..... Jackie Biggart

**INTERNAL CONTROLS**

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**AUDIT ASSIGNMENT STAFF**

Lead Auditor ..... Lynn Ferguson  
 Review Auditor..... Michela Costa-Watt

**For further information on this document, contact:**

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# Follow-up – Palace Theatre Hospitality Stock Control

## Internal Audit Assignment for East Ayrshire Leisure Trust

### Audit Report



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## 1 INTRODUCTION

1.1 In April 2016 Internal Audit conducted a review of the Palace Theatre Complex Hospitality Stock Control systems. The audit report following that review was issued on 4<sup>th</sup> July 2016 and contained sixteen recommendations designed to improve the control environment in that area.

1.2 The follow-up was undertaken to assess the extent of the implementation of these recommendations by:

- reviewing the updated stock control procedures;
- attending a monthly stock check; and
- selecting a sample of recent events and applying tests to verify the accuracy and completion of supporting documentation and the application of the stock control procedures where appropriate.

This report contains the results of the follow-up review.

## 2 PRESENTATION OF AUDIT FINDINGS

2.1 Appendix One – Follow-Up Matrix, gives a brief description of the progress and assessment of implementation of each of the sixteen recommendations. It should be noted that when the assignment was followed up the automated till/stock system had just been implemented at the Grand Hall, Palace Theatre Complex and was not fully functional at Cumnock Town Hall. The following table summarises the extent of implementation of the recommendations at the time the follow-up assignment was conducted:

Description	Numbers	Score	Percentage
Fully or sufficiently implemented			
- With no further action	1,5,6,9,10,11,12, 13 & 15	9	56%
<b>- Sub-total</b>		<b>9</b>	<b>56%</b>
Partially Implemented	2,3,4,7,8,16	6	38%
Not implemented	14	1	6%
<b>Total</b>		<b>16</b>	<b>100%</b>

# Follow-up – Palace Theatre Hospitality Stock Control

## Internal Audit Assignment for East Ayrshire Leisure Trust Audit Report



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### 3 DETAILED EXPLANATION OF ACTION NEEDED

#### 3.1 Recommendations partially implemented

- 3.1.1 Recommendation 2 asked that the Bar Stock Procedures be updated to include a detailed description of the stock recording system implemented. We found that changes have been made to the procedures since the original assignment to implement some of the requirements of this recommendation. However, a new till system has recently been introduced at the Palace & Grand Hall complex and stock control, stock counts and purchases are functions of this system. The procedures need to be further updated to reflect new processes that are going to be developed as a result of the new stock control system.
- 3.1.2 Recommendation 3 asked that the process for dealing with stock transfers should be clarified and fully documented in the Bar Stock Procedures. The Stock Procedures contain reference to the use and completion of stock transfer forms, but it has been agreed with management that further clarification is required to ensure the whole process is clear for all staff involved at all stages; further clarification is also needed on the use of each of the two 'transfer' pro forma available.
- 3.1.3 Recommendation 4 required the service to include instruction within the Stock Control Procedures on the use and completion of the stock deletion forms and spillage records. The service has introduced a process on dealing with spillages and deletions but have yet to document the process.
- 3.1.2 Recommendation 16 as above relates to updating the Stock Control Procedures; in this instance we asked that the procedures be updated to incorporate all the recommendations within the original report. We found that the procedures have been updated but now require further review to incorporate changes due to the introduction of the new till system. The final document should be provided to all relevant staff.
- 3.1.4 Recommendation 7 required that the Hospitality Officer takes care when completing monthly stock check reports ensuring accuracy. Recommendation 8 asked that the Team Leader should ensure that monthly check reports are reviewed for accuracy by comparing figures recorded with appropriate supporting documentation.
- The introduction of the new till system in the Grand Hall, Palace Theatre and Cumnock Town Hall, has created an opportunity for a number of the manually produced reports used for recording, monitoring and reporting the hospitality stock, to be replaced by automated reports obtained directly from the system. This should improve the controls in this area, increase the accuracy of reporting and require less detailed review by the team leader.

#### 3.2 Recommendation not implemented

- 3.2.1 Recommendation 14 relates to the undertaking of reconciliations between the sales ledger and the bar reports (till receipts) on a monthly basis thus ensuring all cash received per till receipts has been correctly recorded in the ledger. We found that the agreed action had not been implemented by the time the follow-up was undertaken. The service should now introduce a reconciliation process between till receipts and the financial ledger in order to fully implement this recommendation.

# Follow-up – Palace Theatre Hospitality Stock Control

*Internal Audit Assignment for East Ayrshire Leisure Trust*

*Audit Report*



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## 4 FURTHER ACTION NOW REQUIRED

- 4.1 For the recommendations partially or not implemented, Internal Audit will issue a Client Assurance Statement (CAS). This requires the client to give an assurance that the outstanding recommendations will be implemented, within a timescale specified by client management.

## 5 CONCLUSION

- 5.1 Internal Audit has completed a follow up review of the Palace Theatre Hospitality Stock Control and found that nine of sixteen recommendations have been fully implemented, or sufficiently implemented, giving a 56% implementation rating. It has to be noted that the follow-up of this assignment was expedited on client's request. At the time of follow-up, the new till system was not fully operational at all locations and staff had not fully explored its capabilities and its embedded controls.

## 6 ACKNOWLEDGEMENTS

- 6.1 The Internal Audit Section would like to express their thanks to staff from the Palace Theatre Grand Hall Complex who provided co-operation and assistance during this assignment.

# Follow-up Audit – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust



East Ayrshire  
Council

## APPENDIX 1 – FOLLOW-UP MATRIX

No.	Recommendation	Priority	Progress to date	Further action required
<b>STOCK CONTROL</b>				
1.	On delivery, all items received must be checked against the delivery notes before delivery is accepted from delivery driver. Evidence of check should be shown on delivery note which should be signed by the staff member conducting the check and filed as evidence. The supplier should be notified of any discrepancies immediately.	Medium	Staff were reminded by the Team Leader that all deliveries should be checked upon receipt and signed off as checked. Stock control procedures have been updated to remind staff of this process. We examined a sample of delivery notes and verified that all had been signed as checked upon delivery.	Implemented No further action required
2.	a) Stock records should be maintained on an ongoing basis. The stock lists should accurately reflect the existing stock at each individual bar and store location. b) All stock movements including sales, deliveries, stock transfers between locations and spillages should be recorded on a timely basis providing a current snapshot of the stock held at each location. c) Spot checks should then be carried out by management across all locations at random ensuring any discrepancies are identified and investigated. d) The Bar Stock Procedures should be updated to include a detailed description of the stock recording system implemented.	High	a) The Palace & Grand Hall complex have upgraded the Electronic Point of Sale (EPOS) within these facilities with INNO on Demand Software (live on August 1st 2016). Stock Control, stock counts and purchases are functions of this system. A "current stock by location" report is run from the system following the monthly stock count. This is used by the Team Leader as a means of verifying the stock count figures. b) As above, the introduction of the new till system allows for a current snap shot of the stock position at the Grand Hall and Palace Theatre at any time. All sales, deliveries, stock transfers and deletions are processed through the new system. Currently reports are run from the system of all transfers and deletions but not of sales or deliveries but we were informed that the introduction of these reports as part of the monitoring process is imminent. c) We found recorded evidence of spot checks on stock being undertaken by the Team Leader. d) The Bar Stock Procedures have been updated but they require further review to incorporate process changes due to the introduction of the new till system.	Partially implemented The monthly sales and delivery reports should be run directly from the newly implemented system as part of the monitoring process. The Bar Stock Control Procedures require further review to incorporate the process changes due to the introduction of the new till system in particular with regard to the Hospitality Officer's duties including inputting data and reporting requirements. Furthermore, the treatment of display stock in the stock control process needs to be clarified and documented in the stock control procedures.

# Follow-up Audit – Palace Theatre Hospitality Stock Control

## Internal Audit Assignment for East Ayrshire Leisure Trust



No.	Recommendation	Priority	Progress to date	Further action required
3.	<p>a) The process for dealing with stock transfers should be clarified and fully documented in the Bar Stock Procedures.</p> <p>b) Stock transfers should be signed for and witnessed by two members of staff as per the Bar Stock Procedures.</p> <p>c) Stock transfer forms should be completed for all stock movements.</p> <p>d) These forms should be duplicated and sequentially numbered. One copy should be retained for filing and the other copy should be taken within the stock to transfer location. The sequential numbering of stock transfer forms should be reviewed to ensure no transfer forms missing.</p> <p>e) Stock listings should be updated on a timely basis for all stock transfers to ensure all stock is fully accounted for at all times.</p>	High	<p>a) The Stock Procedures contain instruction on the use and completion of stock transfer forms, but require further clarification to ensure process is clear for all staff involved. Particularly instruction on the correct pro forma to be used, as there are two forms for 'transfers'. The Procedures include instruction that any stock movements should be signed and witnessed on the stock transfer forms.</p> <p>b) As above staff have been told "Stock moving from one location to another can only be done on the completion of a Stock Transfer Form". At each bar location a "pack" is left behind every bar to be completed for each event which includes</p> <ul style="list-style-type: none"> <li>• Bar report – Populated with upcoming event name and date</li> <li>• Blank Stock Transfer &amp; Deletion Forms (pre-numbered)</li> <li>• Bar Stock sheets prepopulated with opening stock figures</li> <li>• Spirit Stock Sheets prepopulated with opening stock figures.</li> </ul> <p>c) We examined the completed transfer forms for events held in July and August and confirmed that they were all signed by two members of staff and all were numbered, running sequentially without any gaps.</p> <p>d) Stock transfers are entered on the upgraded system as "stock adjustments" with a code that easily identifies them as "transfers".</p> <p>e) Stock transfer reports are printed from the till system and filed with the appropriate event and transfer forms.</p>	<p>Partially Implemented</p> <p>The process for dealing with stock transfers requires to be expanded within the procedural documentation to provide clarification to staff involved at all stages. The correct pro forma to use for recording transfers needs to be better highlighted as there is a choice of two which is dependent on circumstance.</p> <p>Further analysis of what reports and information can be obtained from the system also needs to be undertaken.</p>

# Follow-up Audit – Palace Theatre Hospitality Stock Control

## Internal Audit Assignment for East Ayrshire Leisure Trust



No.	Recommendation	Priority	Progress to date	Further action required
4.	<p>a) The current format of the pro-forma used to record stock deletions should be expanded to include the responsible persons' name.</p> <p>b) Consideration should be given to maintaining spillage records at each location, detailing date, person responsible, description of spillage, reason for spillage and signature of duty manager or other individual as assurance spillage was legitimate error</p> <p>c) Management should undertake periodic review of the stock deletion forms and spillage records for any obvious trends such as recurring staff member or stock item. Spillages at each bar location should be compared for reasonableness in terms of volume of spillages. Management should challenge any irregularities identified.</p> <p>d) Instruction within the Stock Control Procedures should include clear guidance on the use and completion of the stock deletion forms and spillage records.</p>	High	<p>a) The pro-forma used to record stock deletions now require the signature of the person involved and a witness.</p> <p>b) As stated above in recommendation 3, at each bar location a "pack" is left prior to an event which includes stock deletion forms which record spillage details for each event. These forms are signed off by the responsible employee and a witness. An examination of a sample of deletion forms for completeness did not highlight any issues.</p> <p>c) Monthly meetings are held between the Team Leader and the Hospitality Officer, discussion and review of the stock deletion/transfer forms form part of the agenda for these meetings. Details of these meetings and any actions are recorded.</p> <p>d) The Stock Procedures include guidance on the completion of stock deletion forms.</p> <p>The Stock Procedures do not have clear instructions on the treatment and recording of spillages.</p> <p>We selected two recent events, examined supporting documentation and successfully verified spillages/ stock transfers on Bar &amp; Spirit stock sheets matched the completed stock deletion/transfer forms and had been processed through the system.</p>	<p>Partially Implemented</p> <p>The Stock Control Procedures should include clear guidance on the use and completion of the stock deletion forms and spillage checks to be undertaken with regards to this area.</p>
5.	<p>Management should give consideration to upgrading the current bar till system used to allow the stock control functionality to be utilised.</p>	Medium	<p>Wi-Fi was installed at the Palace &amp; Grand Hall Complex to allow the upgrade of the tills INNO on Demand Software was installed and the system went live on 1<sup>st</sup> August 2016. Stock Control, stock counts and purchases are functions of this system.</p> <p>The new till system has been installed at Cumnock Town Hall but at the time of the follow-up the system was not fully functional.</p>	<p>Implemented</p> <p>No further action required</p>

# Follow-up Audit – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust



East Ayrshire  
COUNCIL

No.	Recommendation	Priority	Progress to date	Further action required
	<b>STOCK CHECKS</b>			
6.	<p>a) All documentation recording the results of the monthly stock counts undertaken at each stock location should be retained to support the figures reported in the Monthly Stock Check Forms.</p> <p>b) Monthly Stock Check Forms should be adapted to allow comparison of the actual count figures with the stock per the stock listings</p> <p>c) A separate Monthly Stock Check Form should be completed for each count location in addition to the cumulative record currently produced. This will highlight the location at which discrepancies arise.</p> <p>d) The monthly bar stock checks should be undertaken by two members of staff and both should sign off the monthly stock check reports.</p>	High	<p>We selected one month and examined all documentation supporting the monthly stock count which had been undertaken to verify completeness and accuracy.</p> <p>a) Paperwork supporting the manual counts at each location was available for examination.</p> <p>b) The stock check forms have been changed to allow comparison of actual stock count figures with the expected stock position. Although the Team Leader is aware that the recent introduction of “current stock” reports from the till system will replace the need for manually populated stock position figures in the future.</p> <p>c) Evidence was found of separate stock count forms for each location and a cumulative record of stock count.</p> <p>d) The monthly checks for July and August had been signed off by two members of staff.</p> <p>We made an unannounced visit during a monthly stock check at the Grand Hall/Palace Theatre and witnessed two members of staff undertaking the count.</p> <p>We also attended the monthly stock count at Cumnock Town Hall to observe the stock count process undertaken at the facility that does not yet have the stock control process as part of the till system.</p> <p>No issues were identified. The stock position for each item had been recorded manually and displayed at each location within the facility.</p>	<p>Implemented</p> <p>No further action required</p>

# Follow-up Audit – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust



East Ayrshire  
COUNCIL

No.	Recommendation	Priority	Progress to date	Further action required
7.	The Hospitality Office should take care when completing monthly stock check ensuring accuracy.	High	We selected one month and examined all documentation supporting the monthly stock count which had been undertaken to verify for accuracy and transfer to the manually populated Monthly Stock Check Report. Manual input errors were found in the report. The new till system can produce reports that provide the information that is currently manually populated on the monthly stock check reports. The till system is still in its infancy and not fully operational at Cumnock Town Hall but staff are willing to review the possibility of replacing the current manual reporting processes with automated reports from the till system.	Partially Implemented <ul style="list-style-type: none"> <li>A fully automated stock reporting process should be introduced to reduce manual input time and errors;</li> <li>The stock counts should be undertaken without referring to the stock position on the system reports and;</li> <li>The Team Leader should compare the stock position as per the system to the physical count and investigate/consider variances</li> <li>Variances should be input in the system and this input should be independently verified.</li> </ul>
8.	The Team Leader should ensure that Monthly Stock Check Forms are reviewed for accuracy by comparing figures recorded with appropriate supporting documentation. All stock level discrepancies recorded over a predetermined percentage level should be investigated. Any review undertaken by the Team Leader should be evidenced.	High	As recommendation 7 above, the production of reports from the till system will facilitate a fully automated stock reporting process.  Monthly stock check reports examined showed evidence of review by the Team Leader.	Partially Implemented A fully automated stock reporting process should be introduced to facilitate any review undertaken by the Team Leader. Variances above the agreed percentage level should be highlighted by the system (exception reporting). See also above recommendation 7 for further action.

# Follow-up Audit – Palace Theatre Hospitality Stock Control

## Internal Audit Assignment for East Ayrshire Leisure Trust



No.	Recommendation	Priority	Progress to date	Further action required
<b>EVENTS</b>				
9.	<p>a) Staff should ensure that bar and spirit stock sheets are completed in full for all events.</p> <p>b) Consideration should be given to adding additional columns the bar stock reports. A column recording actual sales per till receipts and a variance column should be added. The variance column should show the difference between actual quantities sold and the expected quantity sold being the stock movement. The addition of a column for recording explanations for all variances at the end of each event should be considered.</p> <p>c) Opening, closing stock figures, takings and floats should be checked and signed off in accordance with procedural guidance.</p> <p>d) The additional column requested in b) above will record the actual sales per till receipt to allow for any variances to be highlighted.</p> <p>e) The Hospitality Officer should verify the arithmetical accuracy of the stock sheets before sign off.</p>	High	<p>We selected two recent events to verify the completion and arithmetical accuracy of supporting bar and spirit stock sheets and confirmation that variances were highlighted with adequate explanations provided.</p> <p>Additional columns have been added to the pro-forma bar and spirit stock sheets including actual sales per till receipt, a column to record variances and one for explanations for variances. Bar and Spirit Stock Sheets form part of the "pack" that are left behind each bar location prior to an event. These have been pre-populated at the end of the previous event with opening stock figures for each stock item.</p> <p>Opening and closing stock figures, takings and floats are recorded and signed off as checked by two members of staff on the Bar Show Reports. The Bar Show Reports along with the stock sheets are part of the "pack" prepared for each bar location prior to an event.</p>	<p>Implemented</p> <p>No further action required</p>

# Follow-up Audit – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust



East Ayrshire  
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No.	Recommendation	Priority	Progress to date	Further action required
10.	<p>a) Instructions for completion of the Bar Show Reports should be included in the guidance. The guidance should state this report must be completed for all events.</p> <p>b) Pro-forma should be added as an appendix to the Stock Control Procedures.</p> <p>c) The Bar show report currently in use should be updated to include cash reconciliation between actual cash counted and cash per till receipts, clearly highlighting any overs/unders. Till receipts should be attached to bar reports as evidence to support cash reconciliation.</p> <p>d) The Bar show Reports should be signed by two people checking the float at the beginning and end of the shift and confirming the cash reconciliation.</p>	High	<p>a) Instruction for the completion of the Bar Show Reports is included in the stock procedures.</p> <p>b) Pro-forma for the Bar Show Reports is attached as an appendix to the stock procedures.</p> <p>c) We chose two events as stated in Rec 9 above and verified that the Bar Show Reports had been completed, including cash reconciliation clearly highlighting overs/unders and confirmation that appropriate till receipts were attached</p> <p>d) Bar show reports examined were signed off appropriately.</p>	<p>Implemented</p> <p>No further action required</p>
11.	<p>Management should inform all staff that irresponsible drinks promotions are prohibited under Licensing (Scotland) Act 2005, and this includes discounts on the purchases of alcohol.</p>	High	<p>Staff have been informed that no discounts on the purchases of alcohol are allowed.</p> <p>We checked the till receipts for events held in July and August 2016 and no evidence of discounted alcohol was found.</p>	<p>Implemented</p> <p>No further action required</p>

# Follow-up Audit – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust



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No.	Recommendation	Priority	Progress to date	Further action required
<b>POST EVENT</b>				
12.	<p>a) The cost of sales element of the gross profit calculation should be based on the actual stock used.</p> <p>b) Profit should be calculated on net sales and net purchases providing a more accurate consideration.</p> <p>c) Consideration should be given to completing Post Event Reports for all events to facilitate gross profit comparison across similar type events.</p> <p>d) Consideration should be given to calculating the gross profit margin within the Post Event Report.</p> <p>e) Management should review gross profit margins and highlight those outside an expected range.</p>	High	<p>Post Event Report has been amended to provide Gross Profit figure and percentage. These reports should be signed off by Hospitality Officer &amp; Team Leader.</p> <p>The Post Event Reports are reviewed as part of the Monthly Review meetings held between the Team Leader and the Hospitality Officer. Any variance from agreed percentage figures (under 70%) will be investigated &amp; the findings recorded. The Team Leader looks at the trend which is variable depending on the type of event but has informed that it is currently an upward trend of between 2-6%.</p> <p>We selected a sample of Post Event Reports and confirmed that gross profit calculations have been undertaken, recorded appropriately and signed off by Hospitality Officer and Team Leader.</p>	<p>Implemented</p> <p>No further action required</p>
<b>CASH HANDLING</b>				
13.	<p>a) Two people should be involved in the cashing up process and both should sign to agree the amount counted and place in the sealed bag.</p> <p>b) Current procedures should be updated to ensure it is made clear that both individuals should sign the sticker showing amount as evidence of agreement.</p>	High	<p>a) We confirmed the cash handing process with appropriate staff. The two people involved in the process are signing the agreed amount when placed in the sealed bag.</p> <p>b) Discussion with staff and our testing identified that staff are following the process of signing the sticker and agreeing the amounts in the sealed cash bags. The updated stock control procedures also reflect this process.</p>	<p>Implemented</p> <p>No further action required</p>

# Follow-up Audit – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust



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No.	Recommendation	Priority	Progress to date	Further action required
14.	A reconciliation between the sales ledger and the bar reports (till receipts) should be prepared on a monthly basis ensuring all cash received per till receipts has been banked.	High	Currently there is no reconciliation undertaken between the sales ledger and the till receipts. We selected a sample of sixteen events and successfully verified the sales figures on supporting documentation to the financial ledger.	Not implemented The Team Leader should include monthly reconciliation of till receipts/sales reports to the financial ledger figures as part of the current checking process.
15.	Management should agree upon a percentage above which differences between cash collected and cash expected per till report should be highlighted by the staff undertaking cash up duties. Management should monitor any overs and unders reported for regularity/patterns.	High	Management agreed that any variance in cash collected and cash expected over £10 will be highlighted and investigated. We examined a sample of Bar Reports for variances recorded to ensure anything over £10 had been highlighted to management. We verified that a record of cash variances is maintained.	Implemented No further action required
<b>PROCEDURES</b>				
16.	The Stock Control Procedures should be updated incorporating all the changes agreed in this report. The final document should be dated and version control introduced to facilitate a periodic review of the Procedures. The final document should be provided to all relevant staff.	High	Stock Control Procedures have been changed to incorporate changes agreed with the original report. Version control has been introduced to facilitate the review of the procedures.	Partially Implemented The Bar Stock Control Procedures require further review to incorporate changes due to the introduction of the new till system. In particular, the Hospitality Officer's duties including in-putting data and reporting requirements from the system should be included. The final document should be provided to all relevant staff.

# Follow-Up – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust

CLIENT ASSURANCE STATEMENT



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## Assignment Details

Report Title	Palace Theatre Hospitality Stock Control		
Report Issue Date	4 <sup>th</sup> July 2016	Follow-up Date	March 17
Number of recommendations	16	Percentage Implemented	56%

## Outstanding Recommendations

No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
2	<p>Stock records should be maintained on an ongoing basis. The stock lists should accurately reflect the existing stock at each individual bar and store location.</p> <p>All stock movements including sales, deliveries, stock transfers between locations and spillages should be recorded on a timely basis providing a current snapshot of the stock held at each location.</p> <p>The Bar Stock Procedures should be updated to include a detailed description of the stock recording system implemented.</p>	<p>Stock Control, stock counts, sales and purchases are functions of the till upgrade introduced recently.</p> <p>A "current stock by location" report is run from the system following the monthly stock count. This is used by the Team Leader as a means of verifying the stock count figures.</p> <p>Currently reports are run from the system of all transfers and deletions but not of sales or deliveries.</p>	<p>The monthly sales and delivery reports should be run from the system as part of the monitoring process.</p> <p>The Bar Stock Control Procedures require further review to incorporate changes particularly due to the introduction of the new till system</p>	JANICE GILMOUR	1 <sup>ST</sup> JUNE 2017
3	<p>a) The process for dealing with stock transfers should be clarified and fully documented in the Bar Stock Procedures.</p> <p>b) Stock transfers should be signed for and witnessed by two members of staff as per the Bar Stock Procedures.</p> <p>c) Stock transfer forms should be completed for all stock movements.</p> <p>d) These forms should be duplicated and sequentially numbered. One copy should be retained for filing and the other copy should be taken within the stock to transfer location. The sequential numbering of stock transfer forms should be reviewed to ensure no transfer forms missing.</p> <p>e) Stock listings should be updated on a timely basis for</p>	<p>a) The Stock Procedures contain instruction on the use and completion of stock transfer forms, but require further clarification to ensure process is clear for all staff involved. Particularly instruction on the correct pro forma to be used, as there are two forms for 'transfers'. The Procedures include instruction that any stock movements should be signed and witnessed on the stock transfer forms.</p> <p>b) As above staff have been told "Stock moving from one location to another can only be done on the completion of a Stock Transfer Form".</p> <p>At each bar location a "pack" is left behind every bar to be completed for each event which includes</p>	<p>Partially Implemented</p> <p>The process for dealing with stock transfers requires to be expanded within the procedural documentation to provide clarification to staff involved at all stages.</p> <p>The correct pro forma to use for recording transfers needs to be better highlighted as there is a choice of two which is dependent on circumstance.</p> <p>Further analysis of what reports and information can be obtained from the system also needs</p>	JANICE GILMOUR	1 <sup>ST</sup> JUNE 2017

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No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
	all stock transfers to ensure all stock is fully accounted for at all times.	<ul style="list-style-type: none"> <li>• Bar report – Populated with upcoming event name and date</li> <li>• Blank Stock Transfer &amp; Deletion Forms (pre-numbered)</li> <li>• Bar Stock sheets prepopulated with opening stock figures</li> <li>• Spirit Stock Sheets prepopulated with opening stock figures.</li> </ul> <p>c) We examined the completed transfer forms for events held in July and August and confirmed that they were all signed by two members of staff and all were numbered, running sequentially without any gaps.</p> <p>d) Stock transfers are entered on the upgraded system as “stock adjustments” with a code that easily identifies them as “transfers”.</p> <p>e) Stock transfer reports are printed from the till system and filed with the appropriate event and transfer forms.</p>	to be undertaken.		
4	<p>a) The current format of the pro-forma used to record stock deletions should be expanded to include the responsible persons' name.</p> <p>b) Consideration should be given to maintaining spillage records at each location, detailing date, person responsible, description of spillage, reason for spillage and signature of duty manager or other individual as assurance spillage was legitimate error</p> <p>c) Management should undertake periodic review of the stock deletion forms and spillage records for any obvious trends such as recurring staff member or stock item. Spillages at each bar location should be compared for reasonableness in terms of volume of spillages.</p>	<p>a) The pro-forma used to record stock deletions forms now require the signature of the person involved and a witness.</p> <p>b) A “pack” is left prior to an event which includes stock deletion forms which record spillage details for each event. These forms are signed off by the responsible employee and a witness. An examination of a sample of deletion forms for completeness did not highlight any issues.</p> <p>c) Monthly meetings are held between the Team Leader and the Hospitality Officer, discussion and review of the stock deletion/transfer forms form part of the agenda for these meetings. Details of these meetings and any actions are recorded.</p> <p>d) The Stock Procedures</p>	The Stock Control Procedures should include clear guidance on the use and completion of the stock deletion forms and spillage records.	<b>JANICE GILMOUR</b>	<b>1<sup>ST</sup> JUNE 2017</b>

# Follow-Up – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust

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No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
	<p>Management should challenge any irregularities identified.</p> <p>d) Instruction within the Stock Control Procedures should include clear guidance on the use and completion of the stock deletion forms and spillage records.</p>	<p>include guidance on the completion of stock deletion forms.</p> <p>The Stock Procedures do not have clear instructions on the treatment and recording of spillages.</p>			
7	<p>The Hospitality Office should take care when completing monthly stock check ensuring accuracy.</p>	<p>We selected one month and examined all documentation supporting the monthly stock count which had been undertaken to verify for accuracy and transfer to the manually populated Monthly Stock Check Report.</p> <p>Manual input errors were found in the report.</p> <p>The new till system can produce reports that provide the information that is currently manually populated on the monthly stock check reports.</p> <p>The till system is still in its infancy but staff are willing to review the possibility of replacing the current manual reporting processes with automated reports from the till system.</p>	<p>A fully automated stock reporting process should be introduced to reduce manual input time and errors.</p>	<p><b>JANICE GILMOUR</b></p>	<p><b>1<sup>ST</sup> JUNE 2017</b></p>
8	<p>The Team Leader should ensure that Monthly Stock Check Forms are reviewed for accuracy by comparing figures recorded with appropriate supporting documentation.</p>	<p>As recommendation 7 above, the production of reports from the till system will facilitate a fully automated stock reporting process.</p>	<p>A fully automated stock reporting process should be introduced to facilitate any review undertaken by the Team Leader.</p>	<p><b>JANICE GILMOUR</b></p>	<p><b>1<sup>ST</sup> JUNE 2017</b></p>
14	<p>A reconciliation between the sales ledger and the bar reports (till receipts) should be prepared on a monthly basis ensuring all cash received per till receipts has been banked.</p>	<p>Currently there is no reconciliation undertaken between the sales ledger and the till receipts.</p>	<p>The Team Leader should include monthly verification of till receipts to the financial ledger figures as part of the current checking process.</p>	<p><b>JANICE GILMOUR</b></p>	<p><b>1<sup>ST</sup> JUNE 2017</b></p>
16	<p>The Stock Control Procedures should be updated incorporating all the changes agreed in this report.</p> <p>The final document should be dated and version control introduced to facilitate a</p>	<p>Stock Control Procedures have been changed to incorporate changes agreed with the original report.</p> <p>Version control has been introduced to facilitate the review of the procedures.</p>	<p>Partially Implemented</p> <p>The Bar Stock Control Procedures require further review to incorporate changes due to the</p>	<p><b>JANICE GILMOUR</b></p>	<p><b>1<sup>ST</sup> JUNE 2017</b></p>

# Follow-Up – Palace Theatre Hospitality Stock Control

Internal Audit Assignment for East Ayrshire Leisure Trust

## CLIENT ASSURANCE STATEMENT



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No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
	periodic review of the Procedures. The final document should be provided to all relevant staff.		introduction of the new till system. In particular, the Hospitality Officer's duties including inputting data and reporting requirements from the system should be included. The final document should be provided to all relevant staff.		

### Client Assurance Statement

I hereby give an assurance that the outstanding recommendations stated in the table above are going to be implemented, and that each will be implemented by the due date now stated in the table by the responsible member of staff stated in the table.

Signed

Date

20/3/17

Name  
(Printed)

ADAM GEARY

Designation

CULTURAL SERVICES MANAGER

# **internal**audit

## **Follow-up - Ticketing and Booking System**

East Ayrshire Leisure Trust

## READERSHIP

### East Ayrshire Leisure Trust

Chief Executive - East Ayrshire Leisure Trust.....John Griffiths  
Cultural and Countryside Manager .....Adam Geary  
People & Finance Manager..... Jackie Biggart

### East Ayrshire Council

Head of Finance and ICT .....Craig McArthur

## INTERNAL CONTROLS

In order to ensure the proper conduct of its business, the East Ayrshire Leisure Trust has a responsibility to develop and implement systems of internal control. It is primarily the responsibility of management to ensure that internal controls are in place and are operating effectively.

A sound control environment will help to safeguard assets, ensure records are reliable, promote operational efficiency and ensure adherence to East Ayrshire Leisure Trust policy and procedures. Such systems of internal control provide reasonable (but not absolute) assurance against loss.

The work of the Internal Audit Section in East Ayrshire Council is carried out in line with the Public Sector Internal Audit Standards (PSIAS). The PSIAS defines internal auditing as “an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.

### **For further information on this document, contact:**

Internal Audit Section; East Ayrshire Council; Civic Centre South; John Dickie Street, KILMARNOCK;  
Ayrshire; KA1 1HW  
Telephone 01563-57-8111; Fax 01563-57-8114

# Follow-up - Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust  
Audit Report



East Ayrshire  
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## AUDIT ASSIGNMENT STAFF

Lead Auditor ..... Allan Munn  
Review Auditor..... Paul Kelly  
Review Auditor..... Eilidh Mackay

# Follow-up - Ticketing and Booking System

## Internal Audit Assignment for East Ayrshire Leisure Trust Audit Report



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### 1 INTRODUCTION

- 1.1 In 2015, Internal Audit conducted a review of the East Ayrshire Leisure Ticketing and Booking System. The audit report following that review was issued on 17 June 2015, and contained 11 recommendations designed to improve the control environment in that area.
- 1.2 Internal Audit has now completed a follow-up review to assess the extent of implementation of those recommendations. This report contains the results of the follow-up review.

### 2 PRESENTATION OF AUDIT FINDINGS

- 2.1 Appendix One – Follow-Up Matrix, gives a brief description of the progress and assessment of implementation of each of the 11 recommendations. The following table summarises the extent of implementation of the recommendations at the time the follow-up assignment was conducted:

Description	Numbers	Score	Percentage
Fully or sufficiently implemented:			
- With no further action	3-8	6	55%
- With some further action advised	1, 10	2	18%
<b>- Sub-total</b>		<b>8</b>	<b>73%</b>
Partially implemented	2,9,11	3	27%
Not implemented	-	-	-
<b>- Total assessed</b>		<b>11</b>	<b>100%</b>
Not assessed	-	-	-
<b>Total</b>		<b>11</b>	<b>100%</b>

### 3 DETAILED EXPLANATION OF ACTION NEEDED

#### 3.1 Recommendation(s) sufficiently implemented with further action advised

- 3.1.1 Recommendation 1 relates to the registration for the Trust as a Data Controller with the Information Commissioner's Office (ICO). The Trust recently registered with the ICO; the registration details the type of data held and the purposes for processing such information. To ensure the accuracy and completeness of the registration the Trust should, with the help of relevant staff from East Ayrshire Council, compare their registration with those of similar bodies. Failure to adequately record and inform the public with regard to the types of processing may leave the organisation vulnerable to legal challenge. Moreover, future requirements in relation to General Data Protection Regulation (from May 2018) will lay new and more onerous responsibilities on data controllers and processors, including much improved clarification on processing.
- 3.1.2 Recommendation 10 relates to the need to liaise with the Council's IT department to ensure that the IT Disaster Recovery Plan (EAC IT DR plan) was updated to reflect the revised infrastructure and application environment that resulted from the implementation of Nouveau. The Trust has contacted the Council IT team in order to ensure they were included in the DR plans but to this date the update of the Council's IT Disaster Recovery Plan has not been completed. The matter will be taken forward by the Head of Finance and ICT who regularly meets with the Chief Auditor

# Follow-up - Ticketing and Booking System

## Internal Audit Assignment for East Ayrshire Leisure Trust Audit Report



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and will provide updates to both the Chief Auditor and the Trust Chief Executive on the state of implementation, as appropriate.

### 3.2 Recommendations partially implemented

3.1.2 Recommendation 2 required the Trust to provide all staff with appropriate level of Data Protection Act (DPA) training. The Trust had agreed that staff would sign a statement indicating their compliance with the provisions of the DPA and that they would complete the DPA online training module provided through the Council's LearnPro site. We found that compliance statements had been created and that these had been signed by staff. However we found that there were no clear reports in use to identify those staff who had/had not completed the online learning module. During discussion we established that a report on the staff completion rate would be made available in due course. It will be necessary for managers to obtain and review such reports and remind all staff to complete the necessary training.

3.1.3 Recommendation 9 required the Trust to develop and approve a Business Continuity Plan (BCP) and, in addition, ensure that it was subject to testing to confirm its effectiveness in supporting the response to an incident. We noted that a BCP had been created and approved but the plan had not been tested nor were there any plans in place to do so. We understand that there has been an occasional need to invoke the plan e.g. the use of emergency buildings and the use of backup laptop but this has not been part of a formal test. We recommend that testing is formally planned and exercised, with outcomes recorded. Any deficiencies should be addressed thereafter.

3.1.5 Recommendation 11 relates to the assurances received in respect of the security of the Leisure Trust data within the cloud computing environment provided by Nouveau. We had recommended that copies of independent service audit reports (or equivalent) should be obtained or otherwise the Trust should conduct its own review of the security arrangements. It was confirmed that there is no independent service audit report. Nouveau provided a note of security certifications and confirmed that provisions for data security were established and operating satisfactorily. While this provides some level of assurance we do not accept that this is sufficient in itself. We are satisfied that the recommendation has been partially addressed but not entirely as the Trust has not conducted its own review. To ensure the residual data security risk is appropriately addressed, it is again recommended that the Trust carry out a review of Nouveau security arrangements through a questionnaire and in obtaining copies of appropriate policies and procedures.

## 4 FURTHER ACTION NOW REQUIRED

4.1 For the two points which are sufficiently implemented, but which require further work to complete, Internal Audit recommend that management monitor these issues to ensure that they are sufficiently and timeously completed.

4.2 For the recommendation(s) partially or not implemented, Internal Audit will issue a Client Assurance Statement (CAS). This requires the client to give an assurance that the outstanding recommendation(s) will be implemented, within a timescale specified by client management.

# Follow-up - Ticketing and Booking System

## *Internal Audit Assignment for East Ayrshire Leisure Trust Audit Report*



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### **5 CONCLUSION**

- 5.1 Internal Audit has completed a follow up review of East Ayrshire Leisure Trust Ticketing and Booking System and found that 8 of the 11 recommendations have been fully implemented, or sufficiently implemented, giving a 73% implementation rating.

### **6 ACKNOWLEDGEMENTS**

- 6.1 The Internal Audit Section would like to express their thanks to staff from the East Ayrshire Leisure Trust who provided co-operation and assistance during this assignment.

# Follow up – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



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## APPENDIX 1 – FOLLOW-UP MATRIX

No.	Recommendation	Priority	Progress to date	Further action required
<b>Data Protection Act Compliance</b>				
1.	EALT should promptly determine whether they are exempt from registering as Data Controller with the ICO and proceed with the registration should this not be the case. When registering, EALT should ensure that all purposes for which personal information is maintained, are recorded. These should include, but not limited to: personnel records, customer records, advertising, marketing etc.	High	The Trust recently registered with the ICO; the registration details the type of data held and the purposes for processing such information.	Sufficiently implemented  To ensure the accuracy and completeness of the registration the Trust should, with the help of relevant staff from East Ayrshire Council, compare their registration with those of similar bodies. Failure to adequately record and inform the public with regard to the types of processing may leave the organisation vulnerable to legal challenge. Moreover, future requirements in relation to General Data Protection Regulation (from May 2018) will lay new and more onerous responsibilities on data controllers and processors, including much improved clarification on processing.
2.	EALT staff (both front line and back office dealing with subject access requests) should receive training on the requirements of the Data Protection Act 1998 in order to ensure they are met.	High	At the time of the follow-up it had been agreed that all staff were to complete the EAC online monitoring of which staff had completed it. It was agreed that reports on this matter need to be obtained and the staff completion rate monitored.	Partially implemented  To produce and circulate to management regular reports on staff completion of online DPA module and take appropriate action to ensure all staff complete the course.

# Follow up – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



East Ayrshire  
COUNCIL

No.	Recommendation	Priority	Progress to date	Further action required
<b>User Access Management and Review</b>				
3.	Formal user account management processes need to be developed to ensure that all access requests are documented and subject to formal managerial approval prior to access being granted to the Nouveau and Capita systems. Processes should also include a regular review of access permissions.	High	We reviewed evidence to confirm that there is formal manager approval on user access and that permissions are reviewed.	Fully implemented No further action
4.	The Nouveau system should be updated to ensure that users are required to change their passwords on a regular basis. This should be in line with Trust policy.	Medium	Nouveau issue users with reminders on changing passwords. There is no system functionality for automatically prompting password changes but a manual process has been arranged. We saw evidence of the scheduled emails and confirmation of previous emails.	Fully implemented No further action

# Follow up – Ticketing and Booking System

## Internal Audit Assignment for East Ayrshire Leisure Trust

### Appendix One – Follow-Up Matrix



No.	Recommendation	Priority	Progress to date	Further action required
5.	<p>There should be a detailed review of the current role profiles that have been developed for the Nouveau system to ensure that there is clarity on access provided to users. Once it is clear what access each role profile affords, a review should be undertaken to develop a user access matrix which ensures that access is commensurate with roles and responsibilities and enforces segregation of duties. This is likely to result in an increase in the current number of role profiles.</p> <p>In addition, privileged access, including the ability to create/amend/delete user accounts should be limited to a small number of trained local administrators within the Trust.</p>	High	<p>Roles and user profiles have been established and documented. We reviewed the documentation provided as evidence. While there was no matrix created as such, we were satisfied that a list of roles had been created together with a list of appropriate transactions related to each role. We also found that each role had associated lists of users confirming their rights to these roles. We were satisfied that privileged access requirements had been reviewed and were commensurate with operating requirements explained to the auditor. We were further informed that Nouveau continue to monitor and control the user administration function on behalf of the Trust.</p>	Fully implemented No further action
6.	<p>User access reviews should be carried out on a regular basis. The purpose of this review should be twofold – to confirm only authorised users have access and that access of current users is appropriate. These reviews should be performed at least twice each year.</p>	High	<p>At the date of the audit one full user review had been completed. This was implemented later than planned, however we were provided with assurances that a regular review had been diarised and that future reviews will be carried out in accordance with the original schedule.</p>	Fully implemented No further action

# Follow up – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



East Ayrshire  
COUNCIL

No.	Recommendation	Priority	Progress to date	Further action required
<b>Staff Guidance and Training</b>				
7.	<p>Staff taking on the role of system administration should be provided with adequate training and documentation to ensure they are familiar with the system functionality and are aware of the implications of poor access management.</p> <p>When responsibility for day to day administration of the system transfers to local administrators within the Trust, consideration will need to be given to ensuring that the responsibilities of the Trust and Nouveau are clearly defined and understood.</p>	Medium	<p>Documentation related to roles and permissions had been created to ensure system administrators are aware of the system functionality. This information explained the appropriate level of functionality to be granted for each user role. The full transfer of user administration responsibilities from Nouveau to EALT had not taken place as previously anticipated and Nouveau continued to support this function. We were provided with documentation that showed step by step graphical instructions on user administration which would be available to staff in the event of them needing to perform detailed user administration.</p>	Fully implemented No further action
8.	Guidance should be produced and issued to staff in relation to procedures to be followed when processing card payments when Chip and PIN is not available at the counters.	Medium	Staff guidance has been created and issued.	Fully implemented No further action

# Follow up – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



East Ayrshire  
COUNCIL

No.	Recommendation	Priority	Progress to date	Further action required
<b>Business Continuity Arrangements</b>				
9.	<p>The Business Continuity Plan for the Trust should be developed and agreed as soon as possible. This should include consideration of the arrangements to follow in the event of partial or full loss of the Nouveau and/or Capita systems. Arrangements should also be made to ensure that the plan is subject to regular testing to confirm that it is capable of supporting the response to a disaster.</p> <p>The plan should take consideration of the various scenarios that could impact on the availability of the system. This should also consider the criticality of its availability at specific dates/times and how this would impact on the response. The plan should also provide guidance on customer communication and data protection implications of planned responses to incidents.</p>	Medium	<p>A Business Continuity Plan (BCP) for the ticketing and booking system had been created and approved.</p> <p>From discussions with senior management and review of the BCP, we confirmed that it has been designed so that it is capable of supporting the response to a wide variety of incidents that could impact Booking and Ticketing operations. In reviewing the adequacy of the BCP we also took cognisance of the Nouveau system being cloud-based and hence accessible from any location via the Internet. We noted that the emergency laptop established for this purpose had been setup and successfully used to perform remote access.</p> <p>We discussed the testing arrangements for the plan and received verbal assurances that the provisions within the plan for (1) the use of alternative buildings and (2) the emergency laptop were operating satisfactorily. However there was no scheduled testing of the BCP.</p>	<p>Partially Implemented.</p> <p>We recommend that a formal test plan is created and exercised to gain assurance that the BCP adequately supports the response to an incident. A record of the testing and outcomes should be maintained. The BCP should also be updated as necessary following the testing.</p>

# Follow up – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

Appendix One – Follow-Up Matrix



East Ayrshire  
COUNCIL

No.	Recommendation	Priority	Progress to date	Further action required
10.	EALT should liaise with the Council's IT function to ensure that the Council's IT disaster recovery plan is updated to take cognisance of the new infrastructure components introduced as part of the implementation of the systems.	Medium	The Trust has contacted the Council IT team in order to ensure they were included in the DR plans but to this date the update of the Council's IT Disaster Recovery Plan has not been completed.	Sufficiently implemented.  The matter will be taken forward by the Head of Finance and ICT who regularly meets with the Chief Auditor and will provide updates to both the Chief Auditor and the Trust Chief Executive on the state of implementation, as appropriate.

# Follow up – Ticketing and Booking System

## Internal Audit Assignment for East Ayrshire Leisure Trust

### Appendix One – Follow-Up Matrix



No.	Recommendation	Priority	Progress to date	Further action required
<b>Assurance from Third Parties</b>				
11.	<p>The Trust should seek to implement measures through which they can gain assurance that both third party providers of the software, especially Nouveau, can demonstrate compliance with good information security practices as well as the Data Protection Act 1998 and the PCI DSS. In particular, Nouveau should be asked to confirm that they have effective monitoring controls in place for the 'System Administrator' account. Ideally assurance would be provided through receipt of an independent service auditor report or equivalent. Alternatively, if this is not available, the Trust should consider conducting its own review of Nouveau's compliance with good information security practices as well as PCI DSS and Data Protection Act 1998 requirements.</p>	High	<p>We had recommended that copies of independent service audit reports (or equivalent) should be obtained or otherwise the Trust should conduct its own review of the security arrangements. It was confirmed that there is no independent service audit report. Nouveau provided a note of security certifications and confirmed that provisions for data security were established and operating satisfactorily. While this provides some level of assurance we do not accept that this is sufficient in itself. We are satisfied that the recommendation has been partially addressed but not entirely as the Trust has not conducted its own review. To ensure the residual data security risk is appropriately addressed, it is again recommended that the Trust carry out a review of Nouveau security arrangements through a questionnaire and in obtaining copies of appropriate policies and procedures.</p>	<p>Partially implemented.</p> <p>It is recommended that the Trust obtains formal assurances from Nouveau in relation to data security risks. The Trust, in conjunction with the Council's Information Security Officer and IT Security Officer, should compile a questionnaire which identifies those areas where assurance is required in relation to the data security risks faced by the Trust. The questionnaire should seek explanation on the controls Nouveau (and its partners) have in place to secure Trust data. Evidence should be requested as necessary to allow the Trust to make an informed decision on the adequacy of Nouveau's control environment. When received, the Trust, with the support of the Council Information Security and IT Security Officers, should review the response from Nouveau and assess whether risks are appropriately controlled.</p>

# Follow-up Audit – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

CLIENT ASSURANCE STATEMENT



East Ayrshire  
COUNCIL

## Assignment Details

Ticketing and Booking System	
Report Title	
Report Issue Date	17 <sup>th</sup> June 2015
Follow-up Date	29 <sup>th</sup> March 2017
Number of recommendations	11
Percentage Implemented	73%

## Outstanding Recommendations

No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
2	EALT staff (both front line and back office dealing with subject access requests) should receive training on the requirements of the Data Protection Act 1998 in order to ensure they are met.	At the time of the follow-up it had been agreed that all staff were to complete the EAC online eLearning module. However there was no monitoring of which staff had completed it. It was agreed that reports on this matter need to be obtained and the staff completion rate monitored.	Partially implemented To produce and circulate to management regular reports on staff completion of online DPA module and take appropriate action to ensure all staff complete the course.	JACKIE BIGGART	30 APRIL 2017
9	The Business Continuity Plan for the Trust should be developed and agreed as soon as possible. This should include consideration of the arrangements to follow in the event of partial or full loss of the Nouveau and/or Capita systems. Arrangements should	A Business Continuity Plan (BCP) for the ticketing and booking system had been created and approved. From discussions with senior management and review of the BCP, we confirmed that it has been designed so that it is capable of supporting the response to a wide variety of incidents that could impact Booking and Ticketing	Partially Implemented. We recommend that a formal test plan is created and exercised to gain assurance that the BCP adequately supports the response to an incident. A record of the testing and outcomes should be maintained. The BCP should also be updated as necessary following the testing.	ADAM GEARY	30 APRIL 2017

# Follow-up Audit – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

## CLIENT ASSURANCE STATEMENT



East Ayrshire  
COUNCIL

No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
	<p>also be made to ensure that the plan is subject to regular testing to confirm that it is capable of supporting the response to a disaster. The plan should take consideration of the various scenarios that could impact on the availability of the system. This should also consider the criticality of its availability at specific dates/times and how this would impact on the response. The plan should also provide guidance on customer communication and data protection implications of planned responses to incidents.</p>	<p>operations. In reviewing the adequacy of the BCP we also took cognisance of the Nouveau system being cloud-based and hence accessible from any location via the Internet. We noted that the emergency laptop established for this purpose had been setup and successfully used to perform remote access. We discussed the testing arrangements for the plan and received verbal assurances that the provisions within the plan for (1) the use of alternative buildings and (2) the emergency laptop were operating satisfactorily. However there was no scheduled testing of the BCP.</p>			
11	<p>The Trust should seek to implement measures through which they can gain assurance that both third party providers of the software, especially Nouveau, can demonstrate compliance with good information</p>	<p>We had recommended that copies of independent service audit reports (or equivalent) should be obtained or otherwise the Trust should conduct its own review of the security arrangements. It was confirmed that there is no independent service audit report. Nouveau provided a note of</p>	<p>Partially implemented. It is recommended that the Trust obtains formal assurances from Nouveau in relation to data security risks. The Trust, in conjunction with the Council's Information Security Officer and IT Security Officer, should compile a questionnaire which identifies those areas where</p>	<p>ADAM GEARY</p>	<p>JUNE 2017</p>

# Follow-up Audit – Ticketing and Booking System

Internal Audit Assignment for East Ayrshire Leisure Trust

## CLIENT ASSURANCE STATEMENT



East Ayrshire  
COUNCIL

No	Recommendation	Progress to Date	Further Action Required	Responsibility	Due Date
	<p>security practices as well as the Data Protection Act 1998 and the PCI DSS. In particular, Nouveau should be asked to confirm that they have effective monitoring controls in place for the 'System Administrator' account. Ideally assurance would be provided through receipt of an independent service auditor report or equivalent. Alternatively, if this is not available, the Trust should consider conducting its own review of Nouveau's compliance with good information security practices as well as PCI DSS and Data Protection Act 1998 requirements.</p>	<p>security certifications and confirmed that provisions for data security were established and operating satisfactorily. While this provides some level of assurance we do not accept that this is sufficient in itself. We are satisfied that the recommendation has been partially addressed but not entirely as the Trust has not conducted its own review. To ensure the residual data security risk is appropriately addressed, it is again recommended that the Trust carry out a review of Nouveau security arrangements through a questionnaire and in obtaining copies of appropriate policies and procedures.</p>	<p>assurance is required in relation to the data security risks faced by the Trust. The questionnaire should seek explanation on the controls Nouveau (and its partners) have in place to secure Trust data. Evidence should be requested as necessary to allow the Trust to make an informed decision on the adequacy of Nouveau's control environment. When received, the Trust, with the support of the Council Information Security and IT Security Officers, should review the response from Nouveau and assess whether risks are appropriately controlled.</p>		

### Client Assurance Statement

I hereby give an assurance that the outstanding recommendations stated in the table above are going to be implemented, and that each will be implemented by the due date now stated in the table by the responsible member of staff stated in the table.

# Follow-up Audit – Ticketing and Booking System

*Internal Audit Assignment for East Ayrshire Leisure Trust*

## CLIENT ASSURANCE STATEMENT



East Ayrshire  
COUNCIL

Signed

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

Date

05/04/17

Name (Printed)

John Griffiths

Designation

Chief Executive

## ANNUAL PERFORMANCE REPORT – APRIL 2016 TO MARCH 2017

Date: 22 May 2017

Agenda Item: 5

Report By: John Griffiths, Chief Executive

### Summary

The report provides details of the Trust's performance for the financial year 2016/17. The results show sound financial performance with steady progress on increasing attendances at core venues despite challenging financial and economic circumstances.

## I PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide Trustees with a detailed analysis of Trust performance across a range of headings previously agreed and including Business Plan objectives and finance.

## 2 BACKGROUND

- 2.1 The Trust's performance reporting procedures are now well established. This annual performance report contains information of performance in the fourth quarter of the year (January to March 2017) in addition to summarising the full year position.
- 2.2 The performance information will be combined with the 2016-17 audited accounts to make up the 2016/17 Annual Report which will be published later in the year following approval at the AGM. The performance report will also be submitted to East Ayrshire Council in September.

## 3 RESULTS

- 3.1 The reports key results can be summarised as follows:

### 3.1.1 BUSINESS PLAN

- Significant progress was made towards the achievement of the targets in the 2016-19 Business Plan.
- Attendances for Trust facilities and services showed an overall increase of 4% above target.

### 3.1.2 FINANCE

- A favourable variance/surplus of £61,760 was achieved in 2016/17.
- Savings of £879,000 were achieved in line with budget targets.
- External funding of £1,709,350 was achieved by Trust staff either directly or working with East Ayrshire Council.

### 3.1.3 COMMUNITY ASSET TRANSFER / ASSET RATIONALISATION

- The Trust has continued to support the Council's CAT/AR programme facilitating the transfer of facilities to community management and remodelling services as required.

3.2 Full details of performance are included in the attached report which is submitted for Trustee consideration.

#### 4 DESIGNATION OF FUNDS

4.1 The report includes proposals for designation of funds to high priority projects identified by the Senior Management Team shown on page 39 of the report. The Performance and Audit Sub-Committee is asked to consider and note these proposals at this stage. The Trust Board will be asked to formally approve the proposals in due course.

#### Recommendation/s:

It is recommended that the Performance & Audit Sub Committee:

- i. Approve the Annual Performance Report for 2016/17; and
- ii. Otherwise note the content of this report.

Signature:



Designation: Chief Executive

Date: 8 May 2017



# East Ayrshire Leisure Performs

## April 2016 - March 2017



<b>Progress Against 2016-19 Action Plan.....</b>	<b>Page 2</b>
<b>Financial Performance.....</b>	<b>Page 24</b>
▪ Income & Expenditure - by Service	
<b>Performance Scorecard.....</b>	<b>Page 51</b>
<b>Risk Register.....</b>	<b>Page 55</b>



# PROGRESS AGAINST 2016-19 ACTION PLAN

**Key:** ■ (REQUIRES INTERVENTION) ■ (WITHIN TOLERANCE) ■ (POSITIVE PERFORMANCE)

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

PROGRESS OVERVIEW/HIGHLIGHTS AT 31 MARCH 2017	
ACTION NO	TARGET
EAST AYRSHIRE LEISURE I.1	<p>Show annual customer satisfaction improvements each year of Business Plan</p>
EAST AYRSHIRE LEISURE I.2	<p>Increase attendance levels/ticket sales through programme development both in person and online.</p> <p>Increase levels of attendance/ticket sales by 5% over the term of the business plan. Continue to invest in programme development. Increase online visitor usage by 2% each year of Business Plan</p>

**Jan – March 2017**

- Customer satisfaction survey completed during this quarter.

**POSITIVE PERFORMANCE**

**Overall Annual Performance**

- Customer satisfaction survey was commissioned and will provide a baseline position for future performance measurement.

**WITHIN TOLERANCE**

**Jan – March 2017**

- Visitor figures have shown a 13% fall across cultural venues during this quarter from the Business plan target. This has been due to reduced levels of usage of part-time libraries and of the Dick Institute showing a reduction.
- As projected at the start of the year, Countryside Services figures for Q4 have only included the River Ayr Way due to the construction work being carried out at Dean Castle Country Park. The visitor figures for the River Ayr Way have shown a 6% fall during this period. Whilst qualitative assessments haven't been carried out during the period, it is likely that large diversions on the South Ayrshire sections are having an impact on the entire route.
- Development and implementation of S&CV core activities and programmes for Athletics, Badminton, Fitness, Football and Swimming for children, young people and adults delivered across facility remit.

**REQUIRES INTERVENTION: ATTENDANCE FIGURES HAVE FALLEN BY 6 % ACROSS THE VENUES DURING QUARTER**

**Overall Annual Performance**

- Cultural visitors/attendance has increased by 3% during 2016/17
- Sport visitors/attendance has decreased by 0.3% by during 2016/17. Poor weather and ground conditions has impacted on golf attendances as well as localised adverse weather effecting availability of synthetic grass pitches.
- Countryside visitors/attendance has shown a 6% increase on the target figure for 2016/17 which was set to take account of the redevelopment works within the Country Park
- Wide range of exhibitions/events/activities delivered across the Trust that have helped to support a 4% increase in attendance during the year from previous year across all areas of operation. Examples include 'Art of Collection'; 'Angels, Myths and Fables'; 'I am Here'; and 'Beauty and the Beast' panto at Palace, Imprint festival across our libraries, school holiday programme at the Country Park. Specific examples of Sport & Community Venues activities are highlighted under the appropriate action 2.1. It should be noted that due to limited access to the Country Park for redevelopment, attendance levels for countryside services are reduced. However, this is reflected in performance projections.
- £40K Funding bid being prepared to support design upgrade of [www.futuremuseum.co.uk](http://www.futuremuseum.co.uk) with project partners – Bid will be completed in first six months of 2017.
- Future Museum ([www.futuremuseum.co.uk](http://www.futuremuseum.co.uk)) visits have shown a 8% increase this year.
- [www.eastayrshireleisure.com](http://www.eastayrshireleisure.com) visits have shown a 3% increase this year.

**POSITIVE PERFORMANCE: ATTENDANCE FIGURES HAVE INCREASED BY 4% ACROSS THE VENUES DURING 2016/17.**

<p>EAST AYRSHIRE LEISURE 1.3</p>	<p>Achieve new quality standards and/or maintain current Accreditation standards</p>	<p><b>Visit Scotland:</b> 4 star: Doon Valley Museum 4 star: Dick Institute 4 star: Baird Institute 4/5 star: Dean Castle and Country Park 4 star: Burns House Museum</p>	<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>Baird retained its 4 Star rating after review by Visit Scotland.</li> <li>Doon Valley Museum now closed and Visit Scotland notified.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>All of our venues have either enhanced or maintained the venue star rating.</li> <li>Palace Complex was awarded 4 stars for first time as was Dick Institute</li> <li>Doon Valley Museum Closed.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
		<p><b>Arts Council England Museum Accreditation:</b> Dean Castle/Baird/Doon Valley/Burns House/Dick Institute maintained.</p>	<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>Accreditation maintained for retained museums. Arts Council of England Notified of Closure of Doon Valley Museum and Accreditation withdrawn from this venue.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>Accreditation maintained for retained museums. Arts Council Notified of Closure of Doon Valley Museum and Accreditation withdrawn from this venue.</li> <li>£45K Funding bid being prepared to support investment in new Collection Management System – Bid will be completed in 2017.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>

<p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>£60K funding bid to Museums Galleries Scotland is being prepared to support investment in display at Dean Castle which will support wider development.</li> <li>Significance status maintained across both areas.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>	<p><b>Collection Significance:</b> Musical Instrument/Burns Collections maintained.</p>	
<p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>Given changes to Library Service we are discussing suitable timeline for starting review in 2017/18</li> </ul> <p><b>WITHIN TOLERANCE</b></p>	<p><b>How Good Is Our Public Library Service:</b> 2016/17 – 1 indicator tested; 2017/18 – further 2 indicators tested; 2018/19 – further 2 indicators tested.</p>	
<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>Review has been carried out by BCSA and awaiting outcome.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>Accreditation status maintained.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>	<p><b>British Computer Society Accreditation: Maintain annual accreditation</b></p>	
<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>Full A UKA Athletics Facility Competition Certificate held.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>Date for re-assessment May 2017</li> </ul>	<p><b>UKA: Maintain Certification at Ayrshire Athletics Arena</b></p>	

	<p><b>FIFA:</b> Certification of all Synthetic Grass Pitches</p> <p>Maintain status as <b>RLSS</b> Approved Training Centre</p> <p>Gain <b>Green Flag</b> award for Dean Castle Country Park and Annanhill Golf Course during life of Business Plan.</p> <p>UKactive: achieve membership criteria</p>	<p><u>Jan – March 2017</u></p> <ul style="list-style-type: none"> <li>Confirmation of FIFA Two star approved at St Joseph's Leisure Centre 7th March 2017.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>Full size synthetic grass pitches hold valid certification</li> </ul> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>East Ayrshire Leisure recognised as RLSS Approved Training Centre</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>Assessment scheduled for Dean Castle Country Park in January 2018</li> <li>Assessment scheduled for Annanhill Golf Course in 2019</li> </ul> <p><b>WITHIN TOLERANCE</b></p> <p><u>Jan – March 2017</u></p> <ul style="list-style-type: none"> <li>Ongoing dialogue with UKactive regarding full membership. Membership status to be achieved Mid 2017.</li> </ul> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>In addition to UKactive, East Ayrshire Leisure now an employer partner with the Chartered Institute for the Management of Sport and Physical Activity.</li> </ul> <p><b>WITHIN TOLERANCE</b></p>
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<p>EAST AYRSHIRE LEISURE 1.4</p>	<p>Maintain and sustain high level partnerships that support service delivery and improvement.</p>	<p>Maintain current partnership network.</p>	<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• Worked with National Museums of Scotland to develop 'I AM HERE' project.</li> <li>• Worked with Creative Scotland to support major Nathan Coley commission for 2017.</li> <li>• Worked with National Galleries of Scotland to develop Rachel McLean exhibition for 2017.</li> <li>• Worked with Alzheimer's Scotland and Kilmarnock Dementia Centre to develop a project aimed at increasing volunteer opportunities for people suffering from Dementia.</li> <li>• Formed a partnership with East Ayrshire Council and other stakeholders to develop a Landscape Partnership bid to be submitted to HLF in 2017.</li> <li>• Ongoing work with key partners and sports groups/clubs to grow and develop the provision of sporting/physical activity opportunities and events under S&amp;CV. List of partners highlighted under annual performance.</li> <li>• Ongoing work with Disclosure Scotland to ensure compliance with the Code of Practice.</li> <li>• Attendance at HR &amp; Finance and Marketing groups SPORTA meetings to develop relationships with other Trusts.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>• In discussions with University West of Scotland and Ayrshire College to set up formal partnerships across several areas of operation including, Marketing, Libraries, Countryside and Cultural. Ayrshire College has been operating successfully from the Country Park since October and joint initiatives continue to be developed.</li> <li>• Continued to work with a range of national partners to support our arts and</li> </ul>
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	<p>exhibition programmes.</p> <ul style="list-style-type: none"> <li>• Worked with a range of local partners to deliver engagement programmes across our cultural venues. These include local heritage groups/library groups and various town action plan committees.</li> <li>• Local Record Centre Partnership has been established with North and South Ayrshire Councils to develop an on-line biological record centre for the region.</li> <li>• Future Museum partnership will be expanded to include Inverclyde Council.</li> <li>• In discussions with Annanhill Golf Club and other stakeholders in Annanhill Park to develop a Management Plan and Business Plan for the site</li> <li>• New informal partnership has been established with the Scottish Rural College Conservation Society which involves them carrying out conservation tasks within the Country Park on a monthly basis.</li> <li>• Working in partnership with sports club partners and local groups to develop sporting provision and opportunities within trust facilities: ACDI, Ayrshire Gymnastics, Ayrshire Sportsability, East Ayrshire Athletics Partnership, Grange Frame Football, Footsteps Dancing, Kilmarnock Harriers McCulloch ATA, Senjokai Karate Club, Stewarton Tennis Club, Stewarton Trampoline Club, Stewarton United, Ucan- Learn, Work, Live, Urban Gymnastics, Stewarton Academy and Stewarton Parents Association.</li> <li>• Establishment of Landscape Partnership to develop a landscape scale heritage project in East Ayrshire. Partnership includes Community Action Planning steering group representatives, East Ayrshire Council, Scottish Natural Heritage, Central Scotland Green Network Trust, the Forestry Commission and other local and national stakeholders.</li> <li>• Continued partnership with South Lanarkshire Council and East Renfrewshire Council in the implementation of the Whitelee Access Action Plan</li> <li>• Establishment of the Ayrshire Strategic Route Network Partnership to develop an Ayrshire wide path network.</li> </ul>	
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			<ul style="list-style-type: none"> <li>Attendance at the Health &amp; Safety Best Practice Group who meet on a quarterly basis to identify best practice in the leisure industry.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
<p>EAST AYRSHIRE LEISURE I.5</p>	<p>Introduce a system to audit, monitor and improve environmental efficiency across our core facilities</p>	<p>Create annual improvement plan and work with East Ayrshire Council to ensure our venues/facilities meet our environmental objectives.</p>	<p><u>Jan – March 2017</u></p> <ul style="list-style-type: none"> <li>East Ayrshire Leisure are represented on the East Ayrshire Council Climate Challenge Group who co-ordinate and lead environmental best practice across the service areas. This group was established in Q4</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>A process has been established to ensure gas and electricity meter readings are gathered for all facilities. Reports are collated and any issues are raised with the Team Leaders.</li> </ul> <p>Reduce energy costs by utilising the following:</p> <ul style="list-style-type: none"> <li>(a) Audit – Ensure the accuracy of energy costs</li> <li>(b) Monitor – Examine energy use to detect and prevent waste</li> <li>(c) Improve – Increase the efficiency of energy use</li> </ul> <ul style="list-style-type: none"> <li>An audit has been carried out across core venues to determine current waste management arrangements and an action plan will be delivered in 2017/18 for implementation.</li> <li>Key members of staff within the organisation attended Fuel Efficiency Training.</li> <li>All Trust vehicles have a telemetric system installed and drivers must meet a minimum standard.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>

**STRATEGIC OBJECTIVE TWO – TO ENHANCE PEOPLE’S HEAST AYRSHIRE LEISURETH AND WELLBEING THROUGH PARTICIPATION**

PROGRESS AT 31 MARCH 2017			
ACTION NO	ACTION	TARGET	
EAST AYRSHIRE LEISURE 2.1	Increase general participation /attendance levels across service areas	<ul style="list-style-type: none"> <li>Increase participation/ attendance levels by 5% over the term of the Business Plan.</li> </ul>	<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>Visitor figures have shown a 13% fall across cultural venues during this quarter from the Business plan target. This has been due to reduced levels of usage of part-time libraries and of the Dick Institute.</li> <li>Although general visitor attendance is down by 6% within Countryside Services, the Countryside ranger team has focused on raising their profile within schools and engaging with educational establishments across East Ayrshire. This has resulted in over 1000 young people being involved in outdoor learning activities, a rise of 4% for the same period in 2015/16.</li> <li>Continuation of core programmes and activities (Athletics, Badminton, Fitness, Football and Swimming) under S&amp;CV during Jan- March with additional marketing for fitness activities and January promotion.</li> </ul> <p><b>WITHIN TOLERANCE: ATTENDANCE / PARTICIPATION FIGURES HAVE FALLEN BY 3 % ACROSS THE VENUES DURING THIS QUARTER</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>Cultural visitors/attendance has increased by 3% during 2016/17</li> <li>Sport visitors/attendance has shown a 0.3% decrease on the target figure for 2016/17.</li> <li>Countryside visitors/attendance has shown a 6% increase on the target figure for 2016/17 which was set to take account of the redevelopment works within the Country Park</li> <li>Wide range of exhibitions/events/activities and workshop related activity delivered across the Trust that have helped to support an increase in attendance/participation during the quarter across all areas of operation.</li> </ul>

EAST AYRSHIRE LEISURE 2.2	Increase opportunities for/numbers of young people (12-25) using our services.	<ul style="list-style-type: none"> <li>• Increase by 1% each year number of young people using our service areas.</li> <li>• Raise £50K external funding during life of Business Plan to support programmes aimed at young people.</li> <li>• Maintain and develop 2 partnerships/initiatives each year to support young people centred programmes e.g. EASC Affiliated Sports Clubs, Youth Arts Network, Vibrant Communities.</li> <li>• Offer reduced cost/free access to</li> </ul>	<ul style="list-style-type: none"> <li>• Created new workshop and education focus around our core venues resulting in more opportunities for participation. Examples include using Thursday evenings as a key event day in Cultural venues; family events at the Baird, Imprint festival, Bookbug events and Visual Art and Performing Arts workshop focus at Dick Institute, Palace and Cumnock. New Countryside Conservation Group has been established at DCCP and meets weekly.</li> <li>• A wide range of new activities/programmes have been developed and implemented during 2016/2017. Examples include; dance programme for 3-14 year old; Latest trends- Nerf Wars sessions. Halloween activities at the Ayrshire Athletics Arena to engage youngsters not currently involved in athletics, Active Girls Day, Group morning PT sessions introduced at Loudoun Leisure Centre. New fitness classes for Boxercise, Piyo, Yoga and Badminton; Adult walking football, Handball, Tots Tennis, Roller Derby, 10 weeks to 10K sessions, Zumba Fitness, new parent and pre parent swimming programme.</li> <li>• Introduction of “Roon the Toon” in partnership with Kilmarnock Harriers and East Ayrshire Council attracting approximately 1200 entries.</li> <li>• Delivery of 25 athletics based events at the Ayrshire Athletics Arena which included the West District Championships and SUCA Scotland Vs Ireland.</li> </ul> <p><b>POSITIVE PERFORMANCE: ATTENDANCE / PARTICIPATION FIGURES HAVE INCREASED BY 4 % ACROSS THE VENUES DURING 2016/17.</b></p> <p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• Behavioural change surveys are being developed with key projects across Cultural Service projects aimed at this age group.</li> <li>• Work has started with nurture groups within Stewarton Academy and Grange Academy to develop a programme of outdoor activities aimed at supporting young people who have become disengaged from school. The intention is that this will provide a pilot project to support a bid to the Cashback for Communities Fund in 2017 to provide outdoor residential opportunities for young people from across East Ayrshire.</li> </ul>
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		<p>facility/project use for targeted groups of young people.</p> <ul style="list-style-type: none"> <li>Carry out project surveys to measure behavioural change impact in 2016/17/18/19</li> </ul>	<ul style="list-style-type: none"> <li>Girls Secondary School Volleyball tournament held at Stewarton Sports Centre, organised by Marr College.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>Cultural baseline usage has now been completed and shows that 16% of our users are aged 12 -25 in 2016/17.</li> <li>Sport baseline usage has now been completed and shows that 29% of our users are aged 12 -25 in 2016/17.</li> <li>Countryside baseline usage has now been completed and shows that 14% of our users are aged 12 -25 in 2016/17.</li> <li>Ongoing opportunities for young people through the Junior Ranger Club at Dean Castle Country Park and the John Muir Award Scheme.</li> <li>Ongoing support to secondary schools, particularly through their wider achievement programmes.</li> <li>New programme focus aimed at engaging this age range through Make Some Noise, Gaelic Project, Youth Theatre and Ayrshire Youth Arts Network.</li> <li>Cumnock Youth Arts network workshops and events have helped to support a targeted programme of young people's theatre and performance. It has attracted 526 young people.</li> <li>Introduced 3D printing capability at the Dick Institute library.</li> <li>115 volunteer days were carried out with young people between 12 – 25 working on conservation project at the Country Park. This included 9 young people from Willowbank School.</li> <li>126 weekly sessions are on offer for those age 12 plus to participate in a wide range of sport and fitness activities. Sessions are delivered directly by East Ayrshire Leisure or in partnership with local sports clubs and organisations.</li> </ul>
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EAST AYRSHIRE LEISURE 2.3	Maximise access to our facilities and programmes for people with physical, sensory or learning disabilities.	<ul style="list-style-type: none"> <li>• Apply audit findings where appropriate, in 2017/18/19</li> <li>• Support people using our facilities/ programmes with mixed ability needs.</li> </ul>	<ul style="list-style-type: none"> <li>• Engaged with a wide range of national governing bodies of sport and SportScotland to further develop programme delivery and opportunities available within trust facilities to participate in recreational or structure sport and physical activity.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• Ongoing work with Willowbank School to develop an outdoor learning zone at Dean Castle Country Park aimed at people with disabilities.</li> <li>• Work with Alzheimer’s Scotland to develop a remote volunteering programme for people suffering from dementia.</li> <li>• Carried out community consultation regarding new play facilities at Dean Castle Country Park in partnership with East Ayrshire Council’s Access Design Officer and Jupiter Play DDA specialist.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>• Cultural baseline usage has now been completed and shows that 1% of our users are considered to have physical, sensory or learning disabilities in 2016/17.</li> <li>• Sport baseline usage has now been completed and shows that 2% of our users are considered to have physical, sensory or learning disabilities in 2016/17.</li> <li>• Countryside baseline usage has now been completed and shows that 6% of our users are considered to have physical, sensory or learning disabilities in 2016/17.</li> <li>• Working with Willowbank School to develop an outdoor learning area within Dean Castle Country Park which has been specifically adapted for mixed ability needs and will be used to support young people achieve a John Muir Award. A funding applications of £2K are being prepared.</li> </ul>
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EAST AYRSHIRE LEISURE 2.4	Increase opportunities for/numbers of older people (60+) using our services.	<ul style="list-style-type: none"> <li>• Increase attendance by older people by 1% each year.</li> <li>• Ensure we have programmes that are attractive to older users.</li> <li>• Carry out sample surveys to measure behavioural change impact in 2016/17/18/19</li> <li>• Develop and maintain partnerships each year to support older people centred programmes e.g. NHS Ayrshire &amp; Arran, Vibrant Communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction of Frame Football at Grange Leisure Centre in partnership with Vibrant Communities and Grange Frame Football Club.</li> <li>• Development of the Mental Health Badminton Group in partnership with the New Farm Community Sports Hub and NHS Ayrshire &amp; Arran.</li> <li>• Work with Alzheimer's Scotland to develop a remote volunteering programme for people suffering from dementia.</li> <li>• Carried out community consultation regarding new play facilities at Dean Castle Country Park in partnership with East Ayrshire Council's Access Design Officer and Jupiter Play DDA specialist.</li> <li>• Developed a full access audit of DCCP and Castle which will be fully implemented during the programme of works.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• Developing programmes with Vibrant Communities team around aspects of library delivery and the Dean Castle project.</li> <li>• Developing a partnership with Alzheimer's Scotland to engage older people in specific volunteering programmes.</li> <li>• Walking Football tournament held at Stewarton Sports Centre with teams from Ayr, Irvine, Kilmarnock, Stewarton and Edinburgh competing.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>• Cultural baseline usage has now been completed and shows that 29% of our customers are aged 60+ in 2016/17.</li> <li>• Sport baseline usage has now been completed and shows that 5% of our</li> </ul>
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			<p>customers are aged 60+ in 2016/17.</p> <ul style="list-style-type: none"> <li>• Countryside baseline usage has now been completed and shows that 1% of our customers are aged 60+ in 2016/17.</li> <li>• The Homewords service now fully operational and is working with 700 individuals and 5 care homes during this year.</li> <li>• Worked with History group in Cumnock for regular programme of talks at The Baird and also at Doon Valley Museum.</li> <li>• Working extensively with groups across Palace and Grand Hall and libraries supporting 60+ programmes. Examples include Opportunities In Retirement groups, Chit Chat Clubs, IT workshops across library network.</li> <li>• Continuation of Walking Football in partnership with the Stewarton Community Sports Hub.</li> <li>• Walking Football sessions initiated at Muirkirk, Patna, Catrine and Muirkirk Games Halls</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
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STRATEGIC OBJECTIVE THREE - TO ENHANCE EAST AYRSHIRE'S TOURISM OFFER			
ACTION NO	ACTION	TARGET	PROGRESS AT 31 MARCH 2017
EAST AYRSHIRE LEISURE 3.1	Increase visitor attendance at our key tourist attractions including: Dick Institute, Dean Castle & Country Park, Baird Institute, Doon Valley Museum, Burns House Museum & Library, River Ayr Way, Palace & Grand Hall Complex and Cumnock Town Hall	<ul style="list-style-type: none"> <li>• Increase levels of visitor attendance in line with targets set in local Tourism Strategies.</li> <li>• Develop cultural/countryside and sport tourism packages with Visit Scotland/EAC to promote our venues/events.</li> <li>• Submit external funding bids to support tourism development across our</li> </ul>	<p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• Attendance numbers have shown a 3% fall across all our tourism venues this quarter and is attributable to reduced visitor numbers at the Dick Institute, Palace Complex, closure of the Doon Valley Museum and the reduced numbers on the River Ayr Way.</li> </ul> <p><b>WITHIN TOLERANCE: ATTENDANCE FIGURES HAVE FALLEN BY 3 % IN THIS QUARTER.</b></p>

EAST AYRSHIRE LEISURE 3.2	Work with local groups to add value to the tourism offer.	<ul style="list-style-type: none"> <li>• Work with 4 groups each year to support community development and to harness local knowledge.</li> </ul>	<p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>• Worked with EAC Tourism Officer on various projects and will integrate this work into East Ayrshire's Tourism Action Plan.</li> <li>• With funding from East Ayrshire Council, major upgrades to the East Ayrshire side of the River Ayr Way took place in 2016. This work will be completed with an overhaul of the signage and interpretation in 2017.</li> <li>• Dean Castle programme of works currently being developed having raised over £2m to support the development from external sources.</li> <li>• £125,000 was approved from the Scottish Rural Development Programme as contribution to the DCCP Green Network Strategy. This is part of a £5 million redevelopment project at the Country Park</li> <li>• Wide range of exhibitions/events/activities delivered across the Trust that have helped to support increase in attendance during the year from previous year across all areas of operation. Examples include 'Art of Collection'; 'Angels, Myths and Fables'; 'Beauty and the Beast' panto at Palace, Imprint festival across our libraries.</li> <li>• Marketing attendance at Tourism Industry Leader Group, sitting on branding and marketing sub-groups.</li> <li>• Attending EAC's Tourism Advisory Group meetings.</li> <li>• Attending EAC's Corporate Events Working Groups meetings.</li> </ul> <p><b>POSITIVE PERFORMANCE: ATTENDANCE FIGURES HAVE INCREASED BY 6 % FOR 2016/17 ACROSS THE LISTED VENUES</b></p> <p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• East Ayrshire Leisure has started working with Cumnock Town Centre Action Plan Group to develop a programme of development for Woodroad Park.</li> </ul>
facilities/venues.	<ul style="list-style-type: none"> <li>• Maintain and develop partnership working with Visit Scotland/ EventsScotland to support our programmes.</li> </ul>		

			<ul style="list-style-type: none"> <li>• East Ayrshire Leisure is supporting the New Cumnock Action Plan group in the development of their new allotment and community garden project.</li> <li>• Ongoing support given to Stewarton Woodlands Action Group and Stewarton Action Plan Steering Group in the development of the green network around Stewarton.</li> <li>• Support given to Nethergate Community Farm, Dunlop in the development of their social enterprise to promote sustainable farming as an economic and tourism offer.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b><u>Overall Annual Performance</u></b></p> <ul style="list-style-type: none"> <li>• Worked with Dalmellington Community Council, Irvine Valley Regeneration Partnership and Kilmaurs Community Council in the organisation of the Annick Valley, Irvine Valley and Dalmellington Walking Festivals which attracted over 1200 over the 3 weekends.</li> <li>• The Dunaskin Heritage Trust has been supported through a programme of Countryside Ranger led walks from April to October.</li> <li>• Cumnock History Group, Mauchline Burns Club, Doon Valley Community Council to add value to our heritage offer.</li> <li>• Working with the Kilmarnock Action Plan Group to develop a programme of events towards the end of October.</li> <li>• Work has started with Cumnock Town Centre Action Plan Group to develop a programme of development for Woodroad Park.</li> <li>• East Ayrshire Leisure is supporting New Cumnock Action Plan group in the development of their new allotment and community garden project.</li> <li>• Ongoing support given to Stewarton Woodlands Action Group and Stewarton Action Plan Steering Group in the development of the green network around Stewarton.</li> </ul>
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			<ul style="list-style-type: none"> <li>• Support given to Nethergate Community Farm in the development of their social enterprise to promote sustainable farming as an economic and tourism offer.</li> <li>• Worked with Cumnock Action Plan group to develop the Love Cumnock bid to Ayrshire Leader.</li> <li>• East Ayrshire Leisure is represented on the Kilmarnock Town Centre Stakeholder Group to develop a programme of improvements and activities that will contribute to the tourism offer in Kilmarnock.</li> <li>• Worked with the Irvine Valley Regeneration Partnership to carry out community consultation exercises to inform the Irvine Valley Trails Project.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p>
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**STRATEGIC OBJECTIVE FOUR – TO BE RECOGNISED AS AN EMPLOYER OF CHOICE**

ACTION NO	ACTION	TARGET	PROGRESS AT 31 MARCH 2017
EAST AYRSHIRE LEISURE 4.1	Increase levels of staff satisfaction from 2016/17 baseline.	<ul style="list-style-type: none"> <li>• Respond to survey findings.</li> <li>• Maintain constructive relationship with Trade Union – 6 meetings annually.</li> <li>• Maintain absence to below acceptable level of 8 days per annum.</li> <li>• Continue to achieve low levels of formal Grievances</li> </ul>	<p><u>Jan – March 2017</u></p> <ul style="list-style-type: none"> <li>• Employee surveys have been completed during this quarter.</li> <li>• Staff Recognition Award – 1<sup>st</sup> round completed with a photocall and presentation on 22<sup>nd</sup> and 23<sup>rd</sup> March. Application forms have been updated and are available across all establishments.</li> <li>January – March nominations to be considered at P&amp;SC in May.</li> <li>• Absence level recorded for 12 Dec – 31 March was 2.56 days. This is primarily due to long term absence.</li> <li>• No Grievance Appeals were held during this period.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>• Employee survey was commissioned and will provide a baseline position for future performance.</li> <li>• Staff Recognition Award – Successful launch, many nominations were received highlighting excellence by staff.</li> <li>• Absence levels for the year is 8.45 which is above the acceptable 8 working days lost per employee. This is primarily due to long term absence. The top 3 causes of absence and action taken to tackle these are as follows:- <ul style="list-style-type: none"> <li>○ Musculo Skeletal - Early Intervention is sought through Occupational Health and this is undertaken on day one of an absence.</li> <li>○ Operations/Treatment/Recovery – Managers and Team Leaders support staff through regular contact and employees are referred to Occupational Health where appropriate.</li> </ul> </li> </ul>

<p>EAST AYRSHIRE LEISURE 4.2</p>	<p>Increase the number of volunteering, placement and apprenticeship opportunities.</p>	<ul style="list-style-type: none"> <li>• 6 Modern Apprenticeships during life of Business Plan subject to funding.</li> <li>• 10 work placements during life of Business Plan</li> <li>• 3 interns during life of Business Plan.</li> <li>• Individual volunteers increase by 2% each year</li> <li>• Volunteer days increased by 2%</li> </ul>	<ul style="list-style-type: none"> <li>○ Workplace Injury – Early Intervention is sought through Occupational Health and this is undertaken on day one of an absence. Employees are supported through regular contact and referred to Physiotherapy where appropriate.</li> <li>○ All employees are supported and managed in accordance with East Ayrshire Leisure's Sickness Absence Management policy.</li> <li>• One formal grievance was considered by the Appeals Panel which was not upheld.</li> </ul> <p><b>WITHIN TOLERANCE</b></p> <p><b>Jan – March 2017</b></p> <ul style="list-style-type: none"> <li>• 190 volunteer visits took place at Dean Castle Country Park in Q4, this included 87 people attending a volunteer work weekend in March.</li> <li>• Young Hub Leaders have been volunteering through the Community Sports Hubs (Auchinleck, Grange, St Joseph's, Stewarton and the Academy) supporting clubs/programmes and offering ideas to engage their peers in activities.</li> <li>• 1 university placement from the University of West of Scotland has been supporting the development of the Community Sports Hubs and Handball programme</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><b>Overall Annual Performance</b></p> <ul style="list-style-type: none"> <li>• 102 placements from secondary and tertiary education were supported in 2016/17</li> <li>• 499 volunteer days were recorded within the Country Park in 2016/17. This included 58 regular volunteers, as well as people attending one off volunteering events</li> </ul>
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EAST AYRSHIRE LEISURE 4.3	Advance staff through training and development	<ul style="list-style-type: none"> <li>• Increase the use of EAGER working towards 95% coverage for permanent staff.</li> <li>• Develop training matrix for all service areas</li> <li>• Develop bespoke e-learning modules and training courses</li> <li>• Adopt volunteering policy allowing employees the opportunity to volunteer with external organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Youth Theatre maintains 3 volunteers.</li> <li>• Textile Team at Castle 10-16 volunteers.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Jan – March 2017</u></p> <ul style="list-style-type: none"> <li>• Seminars on Cultural Development have taken place across the organisation with the final phase being rolled out in April/May.</li> <li>• 50% of staff have now personally signed up to the pledge from Stonewall Scotland 'No Bystanders Campaign'.</li> <li>• A revised proposal for Induction of new staff into the organisation has been completed and is now at the final stage of consultation.</li> <li>• Criteria for the introduction of a quality assurance framework for service delivery has been completed and will be piloted by People &amp; Finance.</li> <li>• A performance management framework of training and development data for Jan – March is now in draft form.</li> <li>• The newly formed staff training consultation group have met for the second time focusing on proposals for the training intranet page and the revised induction pack.</li> </ul> <p><b>POSITIVE PERFORMANCE</b></p> <p><u>Overall Annual Performance</u></p> <ul style="list-style-type: none"> <li>• The EAGER process allows employees and their managers to work together to review performance, address any ongoing support and development needs required to allow an employee to work to their full potential. 89% of EAGER's were completed across the organisation which has been further breakdown below into individual service areas:-</li> </ul>
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Service	Total	Submitted	Completed
Cultural Services	76	72	95%
Countryside Services	25	22	88%
Directorate	6	5	83%
Marketing & Development	6	4	67%
People & Finance	15	15	100%
Sports & Community Venues	64	52	81%
	<b>192</b>	<b>170</b>	<b>89%</b>

- A Training & Development Officer, was appointed to the organisation on 24<sup>th</sup> October and has successfully concluded key objectives for the organisation.
- Training Matrices are complete for all service areas
- Bespoke e-learning modules and training courses have been developed for the organisation.
- The EAC volunteer policy was adopted by East Ayrshire Leisure and developed into an operating framework specifically for East Ayrshire Leisure's requirements.

**POSITIVE PERFORMANCE**



# **FINANCIAL PERFORMANCE TO 31.03.17**

**Performance & Audit Sub Committee**  
**2016/17 EAST AYRSHIRE LEISURE BUDGET**  
**AS AT 31<sup>st</sup> MARCH 2017 – PERIOD 12**  
**SIGNIFICANT VARIANCES – ANALYSIS & COMMENTARY**

The actual outturn for East Ayrshire Leisure at 31<sup>st</sup> March 2017 is a favourable surplus of £61,760. This position is after a savings reduction of £879,000 in 2016/17.

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

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

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

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

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

**TABLE A – OVERALL NET POSITION**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	Service Division	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse
775,751	775,751	<b>CHIEF EXECUTIVE &amp; PEOPLE &amp; FINANCE</b>	1,033,210	945,325	91%	945,325	(87,885)
345,452	345,452	<b>MARKETING &amp; DEVELOPMENT</b>	358,730	350,193	98%	350,193	(8,537)
2,518,146	2,518,146	<b>CULTURAL</b>	2,121,240	2,150,767	101%	2,150,767	29,527
70,265	70,265	Cultural Management	68,260	71,559	105%	71,559	3,299
143,656	143,656	Collection Care	148,850	143,526	96%	143,526	(5,324)
453,715	453,715	Cultural Development	440,960	441,992	100%	441,992	1,032
1,451,445	1,451,445	Libraries	1,094,870	1,104,708	101%	1,104,708	9,838
(19,642)	(19,642)	Bar & Catering	(18,600)	(24,129)	130%	(24,129)	(5,529)
418,707	418,707	Palace Complex	386,900	413,111	107%	413,111	26,211
736,458	736,458	<b>COUNTRYSIDE SERVICES</b>	730,740	756,624	99%	756,624	25,884
563,385	563,385	Countryside Development	563,410	557,060	119%	557,060	(6,350)
173,073	173,073	Countryside Golf	167,330	199,564	89%	199,564	32,234
1,415,378	1,415,378	<b>SPORT &amp; COMMUNITY VENUES</b>	1,518,660	1,356,821	89%	1,356,821	(161,839)
485,694	485,694	Sport & Community Management	605,930	464,682	77%	464,682	(141,248)
81,988	81,988	Area 1	106,720	110,620	104%	110,620	3,900
222,808	222,808	Area 2	185,690	208,833	112%	208,833	23,143
194,799	194,799	Area 3	258,810	210,379	81%	210,379	(48,431)
308,712	308,712	Area 4	328,450	319,201	97%	319,201	(9,249)
12,474	12,474	Area 5	360	18,946	5263%	18,946	18,586
87,453	87,453	Football	46,460	60,327	130%	60,327	13,867
21,450	21,450	Community Venues	(13,760)	(36,167)	263%	(36,167)	(22,407)
5,791,185	5,791,185	<b>TOTAL</b>	5,762,580	5,559,730	96%	5,559,730	(202,850)
(6,001,620)	(6,001,620)	Management Fee	(5,202,840)	(5,202,840)	100%	(5,202,840)	0
(210,435)	(210,435)	<b>TOTAL</b>	559,740	356,890		356,890	(202,850)
0	0	Savings Yet to be Identified	(141,090)	0		0	141,090
(150,860)	(150,860)	Trs From Reserves	(418,650)	(418,650)		(418,650)	0
99,150	99,150	Designated Funds	0	0		0	0
0	0	Trs To Reserves	0	0		0	0
(262,145)	(262,145)	<b>TOTAL (after transfer to reserves)</b>	0	(61,760)		(61,760)	(61,760)

**TABLE B – OVERALL NET POSITION**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	Service Division	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse
(1,892,014)	(1,892,014)	Income From Charitable Activities	(1,766,540)	(1,796,094)	102%	(1,796,094)	(29,554)
(6,001,620)	(6,001,620)	Management Fee	(5,202,840)	(5,202,840)	100%	(5,202,840)	0
(7,893,634)	(7,893,634)	<b>TOTAL INCOME</b>	<b>(6,969,380)</b>	<b>(6,998,934)</b>	<b>100%</b>	<b>(6,998,934)</b>	<b>(29,554)</b>
5,303,196	5,303,196	Employee Costs	5,496,870	5,364,165	98%	5,364,165	(132,705)
50,596	50,596	Transport Costs	51,910	40,311	78%	40,311	(11,599)
893,142	893,142	Premises Costs	717,060	716,901	100%	716,901	(159)
1,097,759	1,097,759	Supplies & Services	911,110	871,977	96%	871,977	(39,133)
18,630	18,630	Financing Costs	31,690	31,510	99%	31,510	(180)
212,400	212,400	Support Costs	212,400	212,400	0%	212,400	0
107,476	107,476	Governance Costs	108,080	118,559	110%	118,559	10,479
<b>7,683,199</b>	<b>7,683,199</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>7,529,120</b>	<b>7,355,824</b>	<b>98%</b>	<b>7,355,824</b>	<b>(173,296)</b>
(210,435)	(210,435)	<b>NET POSITION</b>	<b>559,740</b>	<b>356,890</b>		<b>356,890</b>	<b>(202,850)</b>
0	0	Savings Yet to be Identified	(141,090)	0		0	141,090
(150,860)	(150,860)	Trs From Reserves	(418,650)	(418,650)		(418,650)	0
99,150	99,150	Designated Funds	0	0		0	0
0	0	Trs To Reserves	0	0		0	0
(262,145)	(262,145)	<b>TOTAL (after transfer to reserves)</b>	<b>0</b>	<b>(61,760)</b>		<b>(61,760)</b>	<b>(61,760)</b>

**TABLE C – INCOME POSITION**

Revised Actual Income To 31/03/16	Actual Out-turn to 31/03/16	Service Division	Annual Estimate 2016/17	Revised Actual Income To 31/12/16	Actual Income as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse
(8,171)	(8,171)	<b>CHIEF EXECUTIVE &amp; PEOPLE &amp; FINANCE</b>	(2,000)	(5,671)	284%	(5,671)	(3,671)
(1,560)	(1,560)	<b>MARKETING &amp; DEVELOPMENT</b>	0	(363)		(363)	(363)
(507,893)	(507,893)	<b>CULTURAL</b>	(447,200)	(511,406)	114%	(511,406)	(64,206)
	0	Cultural Management	0	0		0	0
(1,783)	(1,783)	Collection Care	(1,500)	(2,711)		(2,711)	(1,211)
(57,147)	(57,147)	Cultural Development	(23,370)	(37,779)	162%	(37,779)	(14,409)
(102,845)	(102,845)	Libraries	(70,540)	(85,359)	121%	(85,359)	(14,819)
(87,951)	(87,951)	Bar & Catering	(80,000)	(98,065)	123%	(98,065)	(18,065)
(258,167)	(258,167)	Palace Complex	(271,790)	(287,491)	106%	(287,491)	(15,701)
<b>(219,128)</b>	<b>(219,128)</b>	<b>COUNTRYSIDE SERVICES</b>	<b>(189,580)</b>	<b>(159,441)</b>	<b>84%</b>	<b>(159,441)</b>	<b>30,139</b>
(59,188)	(59,188)	Countryside Development	(58,080)	(38,671)	67%	(38,671)	19,409
(159,940)	(159,940)	Countryside Golf	(131,500)	(120,770)	92%	(120,770)	10,730
<b>(1,155,262)</b>	<b>(1,155,262)</b>	<b>SPORT &amp; COMMUNITY VENUES</b>	<b>(1,127,760)</b>	<b>(1,119,213)</b>	<b>99%</b>	<b>(1,119,213)</b>	<b>8,547</b>
(60,900)	(60,900)	Sport & Community Management	(46,220)	(54,241)	117%	(54,241)	(8,021)
(214,392)	(214,392)	Area 1	(212,670)	(230,033)	108%	(230,033)	(17,363)
(104,750)	(104,750)	Area 2	(113,580)	(76,368)	67%	(76,368)	37,212
(223,649)	(223,649)	Area 3	(194,300)	(238,307)	123%	(238,307)	(44,007)
(111,727)	(111,727)	Area 4	(118,290)	(87,842)	74%	(87,842)	30,448
(238,809)	(238,809)	Area 5	(249,540)	(256,782)	103%	(256,782)	(7,242)
(18,265)	(18,265)	Football	(12,660)	(14,975)	118%	(14,975)	(2,315)
(182,770)	(182,770)	Community Venues	(180,500)	(160,667)	89%	(160,667)	19,833
<b>(1,892,014)</b>	<b>(1,892,014)</b>	<b>TOTAL</b>	<b>(1,766,540)</b>	<b>(1,796,094)</b>	<b>102%</b>	<b>(1,796,094)</b>	<b>(29,554)</b>
<b>(6,001,620)</b>	<b>(6,001,620)</b>	<b>Management Fee</b>	<b>(5,202,840)</b>	<b>(5,202,840)</b>	<b>100%</b>	<b>(5,202,840)</b>	<b>0</b>
<b>(7,893,634)</b>	<b>(7,893,634)</b>	<b>TOTAL</b>	<b>(6,969,380)</b>	<b>(6,998,934)</b>	<b>100%</b>	<b>(6,998,934)</b>	<b>(29,554)</b>

**TABLE D – EXPENDITURE POSITION**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	Service Division	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse
783,922	783,922	<b>CHIEF EXECUTIVE &amp; PEOPLE &amp; FINANCE</b>	1,035,210	950,996	92%	950,996	(84,214)
347,012	347,012	<b>MARKETING &amp; DEVELOPMENT</b>	358,730	350,556	98%	350,556	(8,174)
3,026,038	3,026,038	<b>CULTURAL</b>	2,568,440	2,662,173	104%	2,662,173	93,733
70,265	70,265	Cultural Management	68,260	71,559	105%	71,559	3,299
145,439	145,439	Collection Care	150,350	146,237	97%	146,237	(4,113)
510,862	510,862	Cultural Development	464,330	479,771	103%	479,771	15,441
1,554,288	1,554,288	Libraries	1,165,410	1,190,068	102%	1,190,068	24,658
68,309	68,309	Bar & Catering	61,400	73,935	120%	73,935	12,535
676,875	676,875	Palace Complex	658,690	700,603	106%	700,603	41,913
955,587	955,587	<b>COUNTRYSIDE SERVICES</b>	920,320	916,065	100%	916,065	(4,255)
622,574	622,574	Countryside Development	621,490	595,731	96%	595,731	(25,759)
333,013	333,013	Countryside Golf	298,830	320,334	107%	320,334	21,504
2,570,640	2,570,640	<b>SPORT &amp; COMMUNITY VENUES</b>	2,646,420	2,476,034	94%	2,476,034	(170,386)
546,594	546,594	Sport & Community Management	652,150	518,923	80%	518,923	(133,227)
296,379	296,379	Area 1	319,390	340,653	107%	340,653	21,263
327,558	327,558	Area 2	299,270	285,201	95%	285,201	(14,069)
418,448	418,448	Area 3	453,110	448,685	99%	448,685	(4,425)
420,439	420,439	Area 4	446,740	407,042	91%	407,042	(39,698)
251,283	251,283	Area 5	249,900	275,728	110%	275,728	25,828
105,718	105,718	Football	59,120	75,301	127%	75,301	16,181
204,221	204,221	Community Venues	166,740	124,500	75%	124,500	(42,240)
7,683,199	7,683,199	<b>TOTAL</b>	7,529,120	7,355,824	98%	7,355,824	(173,296)
		Management Fee					0
7,683,199	7,683,199	<b>TOTAL</b>	7,529,120	7,355,824	98%	7,355,824	(173,296)

**CHIEF EXECUTIVE & PEOPLE & FINANCE SERVICE ANALYSIS**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	CHIEF EXECUTIVE & PEOPLE & FINANCE	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse	Comment
(8,171)	(8,171)	Income From Charitable Activities	(2,000)	(5,671)	284%	(5,671)	(3,671)	Favourable variance mainly relates to Bank Interest Received.
(6,001,620)	(6,001,620)	Management Fee	(5,202,840)	(5,202,840)	100%	(5,202,840)	0	
(6,009,791)	(6,009,791)	<b>TOTAL INCOME</b>	(5,204,840)	(5,208,511)	100%	(5,208,511)	(3,671)	
474,746	474,746	Employee Costs	702,790	647,601	92%	647,601	(55,189)	Favourable variance has arisen due to delays in filling vacancies and underspend within Training. £10k from Training Budget now included within funds to be designated for use in 2017/18.
0	0	Transport Costs	2,750	2,821		2,821	71	
15,861	15,861	Premises Costs	14,720	15,263	104%	15,263	543	
54,599	54,599	Supplies & Services	77,770	49,225	63%	49,225	(28,545)	Delay arose on expenditure on Contactless Payment Software/Equipment - £10k now included within funds to be designated for use in 2017/18.
0	0	Financing Costs	0	0		0	0	
212,400	212,400	Support Costs	212,400	212,400		212,400	0	
26,316	26,316	Governance Costs	24,780	23,686	96%	23,686	(1,094)	
<b>783,922</b>	<b>783,922</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>1,035,210</b>	<b>950,996</b>	<b>92%</b>	<b>950,996</b>	<b>(84,214)</b>	
<b>(5,225,869)</b>	<b>(5,225,869)</b>	<b>NET POSITION</b>	<b>(4,169,630)</b>	<b>(4,257,515)</b>	<b>102%</b>	<b>(4,257,515)</b>	<b>(87,885)</b>	
		Savings Yet to be Identified	(141,090)	0		0	141,090	
		Trs From Reserves	(172,260)	(172,260)		(172,260)	0	
4,500	4,500	Designated Funds				0	0	
		Trs To Reserves					0	
<b>(5,221,369)</b>	<b>(5,221,369)</b>	<b>TOTAL (after transfer to reserves)</b>	<b>(4,482,980)</b>	<b>(4,429,775)</b>	<b>99%</b>	<b>(4,429,775)</b>	<b>53,205</b>	

**MARKETING & DEVELOPMENT SERVICE ANALYSIS**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	MARKETING & DEVELOPMENT	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse	Comment
(1,560)	(1,560)	Income From Charitable Activities	0	(363)		(363)	(363)	
		Management Fee					0	
(1,560)	(1,560)	<b>TOTAL INCOME</b>	<b>0</b>	<b>(363)</b>		<b>(363)</b>	<b>(363)</b>	
236,089	236,089	Employee Costs	263,470	247,805	94%	247,805	(15,665)	Favourable variance has arisen due to delays in filling a vacancy.
		Transport Costs	0	0		0	0	
		Premises Costs	0	0		0	0	
110,923	110,923	Supplies & Services	91,010	97,127	107%	97,127	6,117	Projected savings in employee costs allowed further promotional advertising to be conducted.
		Financing Costs	0	0		0	0	
		Support Costs	0	0		0	0	
		Governance Costs	4,250	5,625		5,625	1,375	
<b>347,012</b>	<b>347,012</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>358,730</b>	<b>350,556</b>	<b>98%</b>	<b>350,556</b>	<b>(8,174)</b>	
<b>345,452</b>	<b>345,452</b>	<b>NET POSITION</b>	<b>358,730</b>	<b>350,193</b>	<b>98%</b>	<b>350,193</b>	<b>(8,537)</b>	
<b>(45,380)</b>	<b>(45,380)</b>	Trs From Reserves	<b>(65,370)</b>	<b>(65,370)</b>		<b>(65,370)</b>	<b>0</b>	
		Designated Funds					<b>0</b>	
		Trs To Reserves					<b>0</b>	
<b>300,072</b>	<b>300,072</b>	<b>TOTAL (after transfer to reserves)</b>	<b>293,360</b>	<b>284,823</b>	<b>97%</b>	<b>284,823</b>	<b>(8,537)</b>	

**CULTURAL SERVICE ANALYSIS**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	CULTURAL	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse	Comment
(507,893)	(507,893)	Income From Charitable Activities	(447,200)	(511,406)	114%	(511,406)	(64,206)	Increased income generation through good ticket sales and event hire in our performing arts venues and Youth Theatre has supported this favourable position. This was also supported by increased hospitality income. Libraries also achieved increased sales across our DVD/audio budgets.
(507,893)	(507,893)	Management Fee	(447,200)	(511,406)	114%	(511,406)	0	
		<b>TOTAL INCOME</b>					<b>(64,206)</b>	
2,067,341	2,067,341	Employee Costs	1,809,630	1,880,369	104%	1,880,369	70,739	Adverse variance due to several long-term absences across our Performing Arts and Cultural Development teams. This meant that the use of Bank staff was required to ensure venues remained open, which exceeded the budgets that we had available and resulted in significant budgetary pressure. Increased cost of bank staff is also linked to the improved position on income generation across our performing arts venues and Youth Theatre.
13,711	13,711	Transport Costs	17,950	13,428	75%	13,428	(4,522)	Reduced transport costs to manage overspend.
281,111	281,111	Premises Costs	223,050	227,658	102%	227,658	4,608	Adverse variance due to increased cost of unmetered water across libraries.
628,248	628,248	Supplies & Services	465,140	481,342	103%	481,342	16,202	Adverse variance due to increased costs involved in generating the favourable income across all areas of operation.
1,890	1,890	Financing Costs	7,620	7,440		7,440	(180)	
		Support Costs	0	0		0	0	
33,737	33,737	Governance Costs	45,050	51,936	115%	51,936	6,886	Adverse variance due to increased irrecoverable VAT position.
<b>3,026,038</b>	<b>3,026,038</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>2,568,440</b>	<b>2,662,173</b>	<b>104%</b>	<b>2,662,173</b>	<b>93,733</b>	
<b>2,518,145</b>	<b>2,518,145</b>	<b>NET POSITION</b>	<b>2,121,240</b>	<b>2,150,767</b>	<b>101%</b>	<b>2,150,767</b>	<b>29,527</b>	
<b>(83,630)</b>	<b>(83,630)</b>	<b>Trs From Reserves</b>	<b>(34,640)</b>	<b>(34,640)</b>		<b>(34,640)</b>	<b>0</b>	
<b>38,650</b>	<b>38,650</b>	<b>Designated Funds</b>				<b>0</b>	<b>0</b>	
		<b>Trs To Reserves</b>				<b>0</b>	<b>0</b>	
<b>2,473,165</b>	<b>2,473,165</b>	<b>TOTAL (after transfer to reserves)</b>	<b>2,086,600</b>	<b>2,116,127</b>	<b>101%</b>	<b>2,116,127</b>	<b>29,527</b>	

**COUNTRYSIDE SERVICE ANALYSIS**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	COUNTRYSIDE SERVICES	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse	Comment
(219,128)	(219,128)	Income From Charitable Activities	(189,580)	(159,441)	84%	(159,441)	30,139	Reduction in projected income due to the closure of the Country Park buildings from September 2016 leading to reduced income from catering and retail sales. Reduced income within golf due to the uncertainty of the sewage pipe work which has now been delayed until October 2017.
		Management Fee					0	
(219,128)	(219,128)	<b>TOTAL INCOME</b>	(189,580)	(159,441)	84%	(159,441)	30,139	
681,310	681,310	Employee Costs	707,300	690,745	98%	690,745	(16,555)	Favourable variance has arisen due to a managed approach to vacancies to offset reduction in income due to development works.
30,297	30,297	Transport Costs	30,260	23,601	78%	23,601	(6,659)	Managed reduction in transport expenditure to offset reduction in income due to development works at the Country Park
114,081	114,081	Premises Costs	69,560	77,427	111%	77,427	7,867	Increased costs due to essential H&S and IT upgrades to Annanhill Clubhouse and Welfare Unit
113,119	113,119	Supplies & Services	89,240	98,958	111%	98,958	9,718	Increased supplies and services due to essential works that were required at Annanhill Golf Course to address Health & Safety issues
12,380	12,380	Financing Costs	19,710	19,710	100%	19,710	0	
		Support Costs	0	0		0	0	
4,398	4,398	Governance Costs	4,250	5,625	132%	5,625	1,375	
<b>955,585</b>	<b>955,585</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>920,320</b>	<b>916,065</b>	<b>100%</b>	<b>916,065</b>	<b>(4,255)</b>	
<b>736,457</b>	<b>736,457</b>	<b>NET POSITION</b>	<b>730,740</b>	<b>756,624</b>	<b>104%</b>	<b>756,624</b>	<b>25,884</b>	
<b>(8,290)</b>	<b>(8,290)</b>	Trs From Reserves	(31,390)	(31,390)		(31,390)	0	
		Designated Funds				0	0	
		Trs To Reserves					0	
<b>728,167</b>	<b>728,167</b>	<b>TOTAL (after transfer to reserves)</b>	<b>699,350</b>	<b>725,234</b>	<b>104%</b>	<b>725,234</b>	<b>25,884</b>	

**SPORT & COMMUNITY VENUES SERVICE ANALYSIS**

Revised Actual Exp. To 31/03/16	Actual Out-turn to 31/03/16	SPORT & COMMUNITY VENUES	Annual Estimate 2016/17	Revised Actual Exp. To 31/03/17	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/17	Variance (Favourable) / Adverse	Comment
(1,155,262)	(1,155,262)	Income From Charitable Activities	(1,127,760)	(1,119,213)	99%	(1,119,213)	8,547	Positive income performance across core S&CV Remit most notably- Ayrshire Athletics Arena, Auchinleck Leisure Centre, Doon Leisure Centre, Grange Leisure, and Loudoun Leisure Centre. Income levels minor positive facility attendances.
(1,155,262)	(1,155,262)	Management Fee	(1,127,760)	(1,119,213)	99%	(1,119,213)	0	
		<b>TOTAL INCOME</b>					<b>8,547</b>	
1,843,708	1,843,708	Employee Costs	2,013,680	1,897,646	94%	1,897,646	(116,034)	Favourable variance relates to the ongoing implementation of the Community Asset Transfer rationalisation programme by East Ayrshire Council, with additional costs within bank relating to staff cover for absence.
6,588	6,588	Transport Costs	950	461	48%	461	(489)	
482,090	482,090	Premises Costs	409,730	396,554	97%	396,554	(13,176)	Favourable variance relates to the ongoing implementation of the Community Asset Transfer rationalisation programme by East Ayrshire Council.
190,870	190,870	Supplies & Services	187,950	145,325	77%	145,325	(42,625)	Favourable variance relates to the ongoing implementation of the Community Asset Transfer rationalisation programme by East Ayrshire Council and prioritisation of spend to support saving target.
4,360	4,360	Financing Costs	4,360	4,360		4,360	0	
0	0	Support Costs	0	0		0	0	
43,026	43,026	Governance Costs	29,750	31,688	107%	31,688	1,938	
<b>2,570,642</b>	<b>2,570,642</b>	<b>TOTAL RESOURCES EXPENDED</b>	<b>2,646,420</b>	<b>2,476,034</b>	<b>94%</b>	<b>2,476,034</b>	<b>(170,386)</b>	
<b>1,415,380</b>	<b>1,415,380</b>	<b>NET POSITION</b>	<b>1,518,660</b>	<b>1,356,821</b>	<b>89%</b>	<b>1,356,821</b>	<b>(161,839)</b>	
<b>(13,560)</b>	<b>(13,560)</b>	<b>Trs From Reserves</b>	<b>(114,990)</b>	<b>(114,990)</b>		<b>(114,990)</b>	<b>0</b>	
<b>56,000</b>	<b>56,000</b>	<b>Designated Funds</b>				<b>0</b>	<b>0</b>	
		<b>Trs To Reserves</b>					<b>0</b>	
<b>1,457,820</b>	<b>1,457,820</b>	<b>TOTAL (after transfer to reserves)</b>	<b>1,403,670</b>	<b>1,241,831</b>	<b>88%</b>	<b>1,241,831</b>	<b>(161,839)</b>	

## RESERVES AS AT 31 MARCH 2017

- TABLE A – Summary  
 TABLE B – Unuseable Reserves  
 TABLE C – Allocated Reserves Analysis  
 TABLE D – Unallocated Reserves - Items for Designation

### TABLE A – SUMMARY

	2014/15 b/f	2015/16 SURPLUS	BALANCE 31 March 2016	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
<b>UNRESTRICTED RESERVES</b>													
FIXED ASSET RESERVE	48,000		48,000	48,000					4360	43,640			
RETAINED RESERVES	400,000		400,000	400,000					150,000	250,000			
UNUSEABLE RESERVES (DEPRECIATION RESERVES)	63,820	30,000	93,820	93,820		0	0	0	19,240	74,220			see Table B
ALLOCATED RESERVES	123,260	289,150	412,410	412,410	0	23,430	63,830	100,850	56,940	167,360			see Table C
UNALLOCATED RESERVES	20,804	42,140	62,944	62,944						63,304			
HOLIDAY PAY PROVISION		-92,180	-92,180	-92,180						-92,180			
<b>TOTAL UNRESTRICTED RESERVES</b>	<b>655,884</b>	<b>269,110</b>	<b>924,994</b>	<b>924,994</b>	<b>0</b>	<b>23,430</b>	<b>63,830</b>	<b>100,850</b>	<b>230,540</b>	<b>506,344</b>			
RESTRICTED RESERVES			73,199			(11,206)		(273,912)	205,255	153,062			
PENSION RESERVE			(800,000)							(800,000)			
<b>TOTAL RESERVES</b>			<b>198,193</b>							<b>(140,594)</b>			

**TABLE B – Unuseable Reserves**

UNUSEABLE RESERVES	BALANCE		REVISIED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
	2014/15 b/f	2015/16 31 March 2016										
Libraries Fit Out - Mauchline	8,110	8,110	8,110				1890	6,220	14 July 2015 Board	Ongoing	Works complete - amount to be drawn down at year end for depreciation. 5 years from 2015/16	
Annanhill Golf Course - Staff Welfare Facilities	38,000	44,000	36,640				7330	29,310	19 August 2014 Board	Ongoing	Installation now complete. Depreciation 5 years from 2016/17	
Annanhill Golf Course - Staff Welfare Facilities Balance			7,360					7,360		Ongoing	Redesignate to ongoing management arrangements of temporary facilities within Sport & CV	
Annanhill Golf Course - Maintenance Equipment	17,710	32,710	32,710				8290	24,420	14 July 2015 Board, updated 13 Oct 2015	Ongoing	Fairways machine now in use. Will be drawn down at year end to cover depreciation. 5 years from 2015/16.	
Homewords Van	9,000	9,000	8,640				1730	6,910	7 June 2016 Board	Ongoing	Homewords Van delivered - amount to be drawn down at year end for depreciation. 5 years from 2016/17	
Homewords Van - Balance		0	360					360		Ongoing	Release as uncommitted	
<b>TOTAL UNUSEABLE RESERVES</b>	<b>63,820</b>	<b>30,000</b>	<b>93,820</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,240</b>	<b>74,580</b>			

**TABLE C – Allocated Reserves Analysis**

ALLOCATED RESERVES	2014/15 b/f	BALANCE		PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
		2015/16 SURPLUS	31 March 2016									
People & Finance Administration Resources	20,000	20,000	20,000			4,450	6,850	7,970	730	14 July 2015 Board	Ongoing	Will be used to support creation of 2 temp Clerical post, who are now in post
Marketing & Development Staff	20,000	81,000	101,000		6,310	20,100	13,800	18,160	42,630	14 July 2015 Board, updated 1 March 2016 Board	Ongoing	Visual Communications Assistant - Initial 12 months, extended to 18 months; Digital Marketing Officer for 18 months; Marketing Co-ordinator (Sport) for 18 months
Libraries Fit Out	50,000	40,000	90,000						90,000	14 July 2015 Board	Ongoing	Dick Institute initially £40k + further £40k, Newmilns £10k, Dick Institute due to commence 2017.
Homewords Van		5,000	5,000				2,500		0	7 June 2016 Board	Complete	Homewords Van Fit out
Homewords Van Balance									2,500		Ongoing	Redesignate to promotion of new Mobile Libraries
Sport & CV Staffing		99,000	99,000		9,310	16,610	40,730	20,850	11,500	1 March 2016 Board	Ongoing	Team Leader for 18 months + Co-ordinator for 12 months
Annanhill Golf Course - 4th Green	20,000		20,000						20,000	14 July 2015 Board	Ongoing	Course design and alterations under consideration. Required for 2017/18
People & Finance Security		4,500	4,500		2,810	180		1,510	0	7 June 2016 Board	Complete	Fortress Security Alarm
Marketing - Additional Facilities	7,000		7,000					7,000	0	14 July 2015 Board	Complete	Initial work for Auchinleck Boswell Centre is complete. Funding allocated to

												market research consultant in line with Business Plan strategic objectives.
Dick Institute/Palace Complex Programme Development	3,960	3,960	3,960	3,960	720	3240	0	14 July 2015 Board	Complete	Programme took place January/February/March aimed at young people and day time use. Further programme planned in coming months.		
Wi-Fi Provision - Phase 1	2,300	4,650	6,950	6,950	2390	4560	0	14 July 2015 Board, updated 7 June 2016 Board	Complete	Wifi roll out currently in place. Additional funding now provided to ensure all libraries are covered by external funding. Upgrade of Burns House Museum to be completed.		
Libraries	15,000	15,000	15,000	15,000	3660	11340	0	7 June 2016 Board	Complete	SIRSI Upgrade		
Palace Complex	5,000	5,000	5,000	5,000	5,000		0	7 June 2016 Board	Complete	Floor Machine @ Grand Hall		
Annanhill Security Measures	15,000	15,000	15,000	15,000	14270		0	7 June 2016 Board	Complete	Works complete - awaiting confirmation of final invoice		
AAA Pole Vault	20,000	20,000	20,000	20,000	20000		0	7 June 2016 Board	Complete	No longer required - redesignated to Fireworks Display until REF funding confirmed		
Fireworks Display 2016					-20000	20000	0		Complete	Redesignated to Fireworks Display until REF funding confirmed		
<b>TOTAL ALLOCATED RESERVES</b>	<b>123,260</b>	<b>289,150</b>	<b>412,410</b>	<b>412,410</b>	<b>0</b>	<b>23,430</b>	<b>63,830</b>	<b>100,850</b>	<b>56,940</b>	<b>167,360</b>		

**TABLE D – Items for Designation**

<b>UNALLOCATED RESERVES</b>	63,304
<b>SURPLUS 2016/17</b>	61,760
<b>TOTAL UNALLOCATED RESERVES</b>	<b>125,064</b>
<b>Items for Designation</b>	
Training Funds for 2017/18	10,000
PFS Equipment - Software Contactless	10,000
Sport & CV Temp Post	10,000
Website Maintenance	5,000
<b>TOTAL</b>	<b>35,000</b>
<b>REVISED UNALLOCATED RESERVES</b>	<b>90,064</b>

## GENERAL PROJECTS

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

Project	Partners	Balance b/f 01.04.16	Balance at 31.03.17	Expected Completion Date
Textile Team	Donations	(£677)	(£771)	Ongoing
Creative Place	Creative Scotland/Centerstage/Town Centre Management	(£24,571)	(£24,571)	Mar 2018
Ayrshire Libraries Forum	North Ayrshire Council/South Ayrshire Council/East Ayrshire Council	(£4,506)	(£4,426)	Ongoing
Wi-Fi	SLIC	(£11,500)	(£11,500)	TBC
Irvine Valley Trails	Renewable Energy Fund	-	(£59,614)	Mar 2019
The McKie Collection	Museum Gallery Scotland	(£10,175)	(£2,847)	Jul 2017
Make Some Noise	Creative Scotland	£0	(£17,529)	Sep 2018
GLAIF 16/17	Bord Na Gaidhlig	£0	(£2,998)	Sep 2017
I AM HERE	Creative Scotland	£0	(£11,027)	Jul 2017
Kilmarnock Green Infrastructure	Transport Scotland / Scottish Natural Heritage	-	(£15,000)	Mar 2018
River Ayr Way Signage	Awards For All	-	(£1,549)	Ongoing
Wild About the Farm	Groundwork UK (Tesco Bags of Help Scheme)	-	(£2,000)	Jan 2018

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

Creative Place is funded from Creative Scotland to bring high quality events and exhibitions to Kilmarnock, supporting regeneration and tourism. This budget will be used to enhance the exhibition

programming at The Dick Institute in 2017 with a premier of newly commissioned work by Turner nominated Scottish artist Nathan Coley.

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.

WiFi - additional £11,500 has been awarded from SLIC to complete our library Wifi rollout across our part-time libraries not covered in Phase 1 of project, including Newmilns, Bellfied and Drongan.

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

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

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

Gaidhlig Gailearaidhean at the Dick Institute is a new set of visual art workshops led in Gaelic, and funded by Bòrd Na Gaidhlig

I AM HERE is a major retrospective exhibition of European studio jewellery from the Crafts Council in London. The Dick Institute is the only Scottish venue to host the exhibition, and it is funded by Creative Scotland. The significant engagement programme with 600 Primary 7 pupils, is developed and delivered in partnership with the National Museum of Scotland.

Kilmarnock Green Infrastructure Project has received a funding package of £50,000 to design and development stage of the 18 mile cycle route in and around Kilmarnock. A project officer is being recruited for 1 year to take this forward. The initial £15,000 has been received from East Ayrshire Council's Parks Development Fund with the outstanding being confirmed from the Central Scotland Green Network Fund.

Following the completion of the Countryside Festival in 2015, there was an outstanding balance of £1,549 from the Awards for All grant. Awards for All have agreed that this money can be retained and used as part of the funding package for the upgraded River Ayr Way Signage and Interpretation project. This is scheduled for completion in 2017/18.

As part of a public vote, Wild About the Farm has received £2,000 from the Tesco Bags of Help. This grant will be used to introduce hedges, lades and reed beds into the Urban Farm at Dean Castle Country Park. This work will be carried out with volunteers and students from Ayrshire College.



**EXTERNAL FUNDING  
(JANUARY – MARCH 2017)**

## EXTERNAL FUNDING APPROVED APPLICATIONS

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

Section	Name of Funding Provider and Project	Value of Funding/Support	Received in 2016/17
Countryside	Dean Castle - Groundwork UK/Tesco Bags of Help - Wild About the Farm	£2,000	£2,000
Countryside	Tesco Bags of Help - Bat Bothy	£2,000	
Countryside	HLF - Traditional Rural Skills	£10,000	
Sports	Vibrant Communities (Participatory Budgeting) - East Ayrshire Leisure - Community Hall	£1,000	£1,000
<b>TOTAL</b>		<b>£15,000</b>	<b>£3,000</b>

## EXTERNAL FUNDING DECLINED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
Countryside	Big Lottery - Outdoor Nursery Feasibility Study	£10,000	Asked to review and resubmit in the next round.
Cultural	Celebrate Kilmarnock (Participatory Budgeting) - Textile Team Halloween	£800	Would go into 2017 / 18 Textile Team budget to produce costume for Celebrate Kilmarnock Halloween event. Unsuccessful. There was a lot of competition from good local causes and these were voted for by the public. Other sources of funding may be explored
<b>TOTAL</b>		<b>£10,800</b>	



**EXTERNAL FUNDING  
(APRIL 2016 – MARCH 2017)**

## EXTERNAL FUNDING APPROVED APPLICATIONS

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

Section	Name of Funding Provider and Project	Value of Funding/Support	Received in 2016/17
Cultural	Live Literature Fund - Scottish Book Trust	£1,275	£1,275
Cultural	EventScotland - Burns's Birthday In Mauchline	£6,500	£6,500
Cultural	Bord Na Gaidhlig - Gaelic Visual Art Workshops	£3,500	£2,800
Cultural	Tesco Bank - Summer Reading Challenge	* £350	£350
Countryside	Volunteering Matters - Marvellous Margins	* £250	£250
Cultural	Creative Scotland - I Am Here	£8,000	£6,000
Cultural	Live Literature Fund - Scottish Book Trust	£300	£300

Cultural	Scottish Library and Information Council (SLIC) - Read the Past Imagine the Future -	£400	£400
Cultural	Scottish Book Trust - Live Literature Fund	£1,575	£1,575
Countryside	Dean Castle - Groundwork UK/Tesco Bags of Help - Wild About the Farm	£2,000	£2,000
Countryside	Tesco Bags of Help - Bat Bothy	£2,000	£0
Countryside	HLF - Traditional Rural Skills	£10,000	£0
Sports	Vibrant Communities (Participatory Budgeting) - East Ayrshire Leisure - Community Hall	£1,000	£1,000
<b>TOTAL</b>		<b>£37,150</b>	<b>£22,450</b>

**EXTERNAL FUNDING NOT INCLUDED IN EAST AYRSHIRE LEISURE ACCOUNTS**

<b>Section</b>	<b>Name of Funding Provider and Project</b>	<b>Value of Funding/Support</b>	<b>Comments</b>
Cultural	Heritage Lottery Fund - Dean Castle	£1,547,200	will be paid to EAC
Countryside	Scottish Rural Development Programme (SRDP) - Dean Castle Country Park	£125,000	will be paid to EAC
<b>TOTAL</b>		<b>£1,672,200</b>	

## EXTERNAL FUNDING DECLINED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
Cultural	Creative Scotland - Gaelic Visual Art Workshops	£3,948	Declined due to unspecified artists facilitating workshops.
Countryside	Greggs Environmental Foundation - Minibeast Mountain	£2,000	Declined due to highly competitive fund.
Countryside	Tesco Bags of Help - DCCP Urban Farm Project	£10,000	Declined due to highly competitive fund. Have been invited to resubmit in November 2016.
Countryside	Community Cashback Scheme - Outdoor Learning Workshop	£150,000	Declined due to highly competitive fund.
Countryside	Esmee Fairbairn - Kay Park Pond Restoration	£40,000	Declined due to highly competitive fund. However discussions with EAC have identified alternative funding.
Cultural	Event Scotland - Dick Institute WWI Centenary with Nathan Coley	£23,972	Declined due to highly competitive fund.
Cultural	SLIC - Creative Space	£33,000	Application declined but invited to resubmit once Dick Institute has been developed.
Countryside	Ayrshire Leader - Dean Castle Country Park	£200,000	Assessment panel didn't feel the location of the Country Park represented Rural Ayrshire.
Sport & CV	East Ayrshire Boccia Club - Peter Harrison Foundation	£1,676	The funding organisation has decided to fund a larger scale programme.
Cultural	Love Cumnock - Ayrshire Leader	£190,000	Declined - invited to reapply at future date.
Countryside	Big Lottery - Outdoor Nursery Feasibility Study	£10,000	Asked to review and resubmit in the next round.
Cultural	Celebrate Kilmarnock (Participatory Budgeting) - Textile Team Halloween	£800	Would go into 2017 / 18 Textile Team budget to produce costume for Celebrate Kilmarnock Halloween event. Unsuccessful. There was a lot of competition from good local causes and these were voted for by the public. Other sources of funding may be explored.
<b>TOTAL</b>		<b>£665,396</b>	



**BAD DEBT WRITE-OFF  
(APRIL 2016 – MARCH 2017)**

## DEBTS IDENTIFIED FOR WRITE-OFF

Debt Recovery & Bad Debt Policy was approved by the Trust Board on 19 April 2016. As part of the policy the Chief Executive is required to report all approved write-offs to the Board on an annual basis.

Bad and doubtful debts totalling £4,723.21 have been identified for write-off. Provision exists within the Annual Accounts for debt write-off and is currently valued at £7,250.88.

Reasons for write-off are summarised below:-

<b>Reason for Write-Off</b>	<b>No of Accounts</b>	<b>Amount</b>
Debt is uneconomical to pursue	28	2,289.60
Poor recovery prospects	6	2,433.61
<b>Total</b>	<b>34</b>	<b>4,723.21</b>



# PERFORMANCE SCORECARD

**East Ayrshire Leisure Trust – EPMS Quarterly Indicators – Key**

**RED** (REQUIRES INTERVENTION)

**AMBER** (WITHIN TOLERANCE)

**GREEN** (POSITIVE PERFORMANCE)

Indicator	2015/16 Figure	2016/17 Target	Inter-vention rate	Q1	Actual	Q2	Actual	Q3	Actual	Q4	Actual	2016/17 Actual	Comments
1 East Ayrshire Leisure Trust: Total Income	7,893,634	6,969,380	10%	1,711,130	1,745,235	1,717,500	1,705,635	1,734,355	1,705,635	1,806,395	1,911,335	6,998,934	Rise in income in final quarter has resulted in small surplus in income compared to the projected shortfall.
2 East Ayrshire Leisure Trust: Total Expenditure	7,683,199	7,529,120	10%	1,789,760	1,319,170	1,817,400	1,586,036	1,884,690	1,586,036	2,037,270	2,353,347	7,355,824	Although Qtr 4 expenditure is higher than target the cumulative projected underspend on expenditure has been achieved.
3 Core Services Customer Visits: Culture	518,759	506,070	10%	127,617	148,990	121,657	157,617	138,529	157,617	118,267	103,950	523,236	Cultural venues are showing a 13% visits decrease on the quarter target, due largely to Dick Institute and part-time libraries performance. End of year performance shows a 3% increase in performance.

Indicator	2015/16 Figure	2016/17 Target	Intervention rate	Q1	Actual	Q2	Actual	Q3	Actual	Q4	Actual	2016/17 Actual	Comments
4 Core Services Customer Visits: Sport and Community Venues	792,551	815,666	10%	205,690	229,635	194,500	177,375	220,633	189,819	220,633	216,025	812,854	Attendance figures has shown a 0.3% decreased on the targeted figure for 2016/17. 2812 attendances short from projection. 5 Core venues have achieved higher increases in attendances against projected outturns.
5 Core Services Customer Visits: Countryside	1,457,102	1,053,010	10%	472,974	477,689	511,662	531,456	34,268	35,614	34,106	32,173	1,112,405	Dean Castle Country Park has had restricted access in Q4 due to works programme. River Ayr also shows a marginal decline during Q4. Overall countryside performance shows a 6% increase for 2016/17.

Indicator	2015/16 Figure	2016/17 Target	Intervention rate	Q1	Actual	Q2	Actual	Q3	Actual	Q4	Actual	2016/17 Actual	Comments
6 Core Services Customer Visits: Future Museum (Virtual Service)	225,692	230,206	10%	63,440	60,831	55,634	64,479	62,256	58,121	48,876	60,829	248,395	Future museum is now 8 years old and the partnership is looking to develop a funding package to refresh design and keep it a dynamic heritage website. 2016/17 performance shows an 8% increase in unique visits.
7 Core Services Customer Visits: eastayrshirelei sure.com (Virtual Service)	291,736	297,571	10%	69,050	62,078	79,994	76,918	82,673	81,398	65,855	85,107	305,389	Within tolerance
8 East Ayrshire Leisure Trust: Average days lost per employee	5.86 days	8 days	Over 2 days	2 days	1.54 days	2 days	1.76 days	2 days	2.59 days	2 days	2.56	8.45	All employees are managed in accordance with East Ayrshire Leisure's Sickness Absence Management Policy. Additional training is being developed to support staff who manage the absence policy.



## **RISK REGISTER**

## RISK MANAGEMENT

East Ayrshire Leisure will manage risk in a proactive manner by prioritising areas of concern and addressing them on an ongoing basis. The Board reviews its Risk Register on a regular basis with the Register submitted for approval annually and then monitored through the quarterly performance reporting process.

**Risk** - this column lists areas of major concern for East Ayrshire Leisure that could damage its credibility or its ability to trade.

**Risk rating** - this column records the rating placed on each risk, this is judged according to current knowledge and experience that the assessor has in the area of concern and may be altered once specialists in the specific field have been consulted, The score should range from 0 (lowest risk) to 5 (highest risk). Risk ratings should consider both the likelihood and impact of the risk.

**Priority** - the assessor should indicate whether actions on the risk are urgent or not using the indicators of **high, medium or low**.

**Reason for risk rating and priority** - the assessor should explain why the risk exists and if appropriate why the Priority indicator has been assessed at the level set against each risk.

**Information** - The assessor should identify systems and processes that are in place to reduce the risk and/or weaknesses that enhance the risk and any associated actions that can/will be put in place.

<b>RISK</b>	<b>Risk Rating</b> 0 (Low) to 5 (High)	<b>Priority</b> (High, Medium, Low)	<b>Reason for Risk Rating and Priority.</b>	<b>Information</b>
1. Reduction in service payments from EAC	5	H	<p>This is an area of high risk as the Council, which provides the service payments to the Trust, is under severe pressure to reduce its overall spend. The priority is high as the Trust would need to take action if the Council reduces its funding.</p> <p>Closure of local facilities due to reduced funding may impact of Strategic Objective 1 and 2 of the Business Plan as targets groups will incur additional cost when they are required to travel to venues which may impact on their ability to attend facilities. Subsequently, a drop in attendance may reflect in income shortfalls that in turn, will affect the Trusts ability to invest in development opportunities.</p>	<ul style="list-style-type: none"> <li>The Trust has limited resources available to it and would find it difficult to identify alternative funding sources or generate additional income to offset any reductions in Council funding.</li> <li>Funding regularly reviewed by Trust Board and continuous dialogue with East Ayrshire Council.</li> </ul>
2. Falling income levels due to the economic climate, or any other reason.	2	M	<p>The overall risk rating for this area is Low/Medium as the Trust has reviewed and realigned its income targets and sets pricing annually to ensure they can cope with market pressures. The priority is medium as charges can be reviewed relatively easily if a particular difficulty is identified.</p>	<ul style="list-style-type: none"> <li>The Trust will have the ability to develop new income streams and review charging policies.</li> <li>The Trust has a dedicated marketing team to support service development and delivery.</li> <li>East Ayrshire Council and East Ayrshire Leisure have historically charged at the lower end for services in comparison</li> </ul>

<b>RISK</b>	<b>Risk Rating</b> 0 (Low) to 5 (High)	<b>Priority</b> (High, Medium, Low)	<b>Reason for Risk Rating and Priority.</b>	<b>Information</b>
				with many other Scottish Leisure service providers and steep increases may have an adverse effect on the reputation of the Trust and customer numbers.
<b>3. Health and Safety Legislation, Standards and Procedures</b>	2	M	The risk is low/medium risk as the Trust has a good Health and Safety record. It is a medium priority as pressures placed on the Council's Safety Team may affect the amount of time dedicated to the Trust, but the Trusts Health and Safety Officer (Properties) is continually gaining knowledge and expertise that will offset any shortfall in support.	<ul style="list-style-type: none"> <li>Trust has its own Health and Safety Manager (Properties) supported by EAC Health and Safety Team and adhere to the Council's safety standards. Managers trained to IOSH Managing Safely standard.</li> <li>East Ayrshire Leisure have initiated regular 6 weekly Health &amp; Safety meetings attended by the Chief Executive, EAC's Safety Advisor and key managers. The forum discusses key Health &amp; Safety issues with a view to reducing risk wherever it is identified.</li> </ul>
<b>4. Protection of children and vulnerable adults</b>	2	L	This is a Low/medium risk as there are systems in place such as Protection of Vulnerable Groups checks and stringent conditions of let in place. However, an adverse incident would damage the Trust's reputation. The priority is low due to the	<ul style="list-style-type: none"> <li>Staff undergo Disclosure checks and spot checks are made on the documentation held by individuals/groups leasing facilities.</li> <li>Staff undergo PVG check and training</li> </ul>

<b>RISK</b>	<b>Risk Rating</b> 0 (Low) to 5 (High)	<b>Priority</b> (High, Medium, Low)	<b>Reason for Risk Rating and Priority.</b>	<b>Information</b>
			fact that there have been no major incidents in facilities and the Trust is in the process of reviewing and updating its Safeguarding policy and procedures.	and support from Council officials is available.
<b>5.</b> Loss or damage to historic collections or buildings	4	H	This is a high risk as the materials held and the historic buildings managed by the trust have immeasurable historic and cultural value. Loss or irreparable damage to this stock would have severe implications for the credibility of the Trust. It is of high priority that this area is addressed as current condition of buildings can be problematic.	<ul style="list-style-type: none"> <li>The Trust has dedicated manager in place to ensure the collection and estate is managed appropriately. Effective security and inventory control measures are in place across the Museums Service.</li> <li>The Trust has an SLA with the Council and repairs are prioritised.</li> <li>Contractors carry appropriate insurance.</li> </ul>
<b>6.</b> Loss of buildings or facilities due to bad weather, maintenance issues or any other cause	3	L	This area is a medium risk although there have been instances where facilities have been closed, for example the SGP at Stewarton Sports Centre employees are better able to deal with the onset of bad weather and the closure of the SGP at St Joseph's due to construction issues, as the Trust has enough capacity to relocate customers. This is a low priority to the Trust as it has limited resources to counteract any service shortfall,	<ul style="list-style-type: none"> <li>Most buildings are able to withstand poor weather. Maintenance standards are generally acceptable.</li> <li>Some facilities have recurring problems during poor weather.</li> <li>Repairs and maintenance programmes are the responsibility of the Council and have to be prioritised.</li> </ul>

<b>RISK</b>	<b>Risk Rating</b> 0 (Low) to 5 (High)	<b>Priority</b> (High, Medium, Low)	<b>Reason for Risk Rating and Priority.</b>	<b>Information</b>
			albeit it can seek financial compensation.	<ul style="list-style-type: none"> <li>As a third party in schools etc. the Trust is limited in the amount of pressure it can apply to situations. For example, St Josephs and the Grange Leisure Centres.</li> <li>Each building has a snow and ice plan.</li> </ul>
7. Failure to effectively Market, Promote and Programme facilities and activities	4	H	This is an area of high risk and high priority. If Marketing programmes are ineffective the Trust will be unable to deliver the strategic priorities identified in the Business Plan and there will be a negative impact on income levels and attendances.	<ul style="list-style-type: none"> <li>The Marketing and Development team has had temporary additional resources allocated to it.</li> <li>The Marketing Plan will be updated to reflect the new Business Plan.</li> </ul>
8. Failure to develop a workforce that is appropriately skilled, trained and motivated.	3	M	This is an area of medium risk and medium priority. It is essential that staff are well trained and motivated, without this it is unlikely that the Trust will be able to deliver strategic objectives in the new Business Plan.	<ul style="list-style-type: none"> <li>The new Training and Development Officer will improve aspects of support for staff.</li> <li>Recruitment issues will decrease as the Trust moves to its core facility remit.</li> </ul>
9. Failure to deliver the Community Asset Transfer/Asset Rationalisation programmes.	4	H	This is an area of high risk and high priority as the programmes now have completion dates linked to the achievement of savings targets by the Trust.	<ul style="list-style-type: none"> <li>The CAT/AR programmes are led by East Ayrshire Council and it is the Council that makes the final decisions regarding the future of facilities.</li> </ul>

<b>RISK</b>	<b>Risk Rating</b> 0 (Low) to 5 (High)	<b>Priority</b> (High, Medium, Low)	<b>Reason for Risk Rating and Priority.</b>	<b>Information</b>
				<ul style="list-style-type: none"> <li>A temporary staff structure is in place to allow the Trust to support the CAT/AR programmes and deliver event strategies for all buildings temporarily in the Trust's remit.</li> </ul>
10. Failure to prioritise tasks and workload.	4	H	Staff workloads are challenging as the Trust continues to develop. In order to achieve stated outcomes, staff must prioritise effectively.	<ul style="list-style-type: none"> <li>Changes to staff structures, agreed by the Board, should assist in addressing workload issues.</li> <li>Staff will require support to prioritise workload.</li> </ul>

## EXTERNAL AUDIT PLAN 2016/17

Date: 22 May 2017

Agenda Item: 6

Report by: Jackie Biggart, People & Finance Manager

### I PURPOSE

- 1.1 The purpose of this report is to present the External Audit Plan for 2016/17 for noting by the Sub-Committee.

### 2 BACKGROUND/CONSIDERATIONS

- 2.1 Scott Moncrieff have been reappointed as East Ayrshire Leisure's External Auditors for a further 3 years with an option to extend for 2 further 1 year periods.
- 2.2 The External Audit Plan is attached as Appendix I to this report. The document details the work plan which will underpin the 2016/17 External Audit and sets out how both the Board and Scott-Moncrieff 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 August 2017, and this will allow the audited accounts to be presented to the AGM and then to the Council as part of the 2016/17 performance report.

#### Recommendation/s:

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

- i. Consider and note the External Audit Plan for 2016/17; and
- ii. Otherwise note the content of this report.

Signature: Jackie Biggart

Designation: People & Finance Manager

Date: 5 April 2017





# East Ayrshire Leisure

External Audit Plan  
2016/17

April 2017

# Contents

- Introduction..... 1
- Responsibilities of Board and the Auditor ..... 3
- Audit strategy ..... 5
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- Audit timetable and audit fees..... 11
- Your audit management team ..... 13

# 1

# Introduction

# Introduction

1. This document summarises the work plan for our 2016/17 external audit of East Ayrshire Leisure.
2. The plan sets out the ways in which both the Board and Scott-Moncrieff will meet their respective responsibilities under charities legislation and International Standards on Auditing.
3. The plan summarises the following:
  - the responsibilities of the Board and the Auditor;
  - our planned audit work and how we will approach it;
  - our proposed audit timetable; and
  - background to Scott-Moncrieff and the audit management team.

## Adding value through the audit

4. All of our clients quite rightly demand of us a positive contribution to meeting their ever-changing business needs. Our aim is to add value to East Ayrshire Leisure through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging best practice. In this way we aim to help East Ayrshire Leisure promote improved standards of governance, better management and decision making and more effective use of resources.
5. Any comments you may have on the service we provide would be greatly appreciated at any time.

# 2

## Responsibilities of the Board and the Auditor

# Responsibilities of Board and the Auditor

## Responsibilities of the Board

6. The Board's statutory responsibilities include:
  - Maintaining proper accounting records and an effective system of internal control;
  - Preparing the financial statements in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005, and relevant accounting standards;
  - Preparing the financial statements on a going concern basis unless it is inappropriate to presume that the organisation will continue in business;
  - Safeguarding assets;
  - Taking reasonable steps for the prevention and detection of fraud and other irregularities; and
  - Ensuring sound corporate governance and the proper conduct of the organisation's operations.

## Responsibilities of the Auditor

7. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC) Revised Ethical Standard 2016.
8. We are also required to communicate any significant matters arising from the audit of the financial statements that are relevant to those charged with governance in overseeing the financial reporting process. The audit includes the consideration of internal controls relevant to the preparation of the financial statements but we do not express an opinion on the effectiveness of internal control.

3

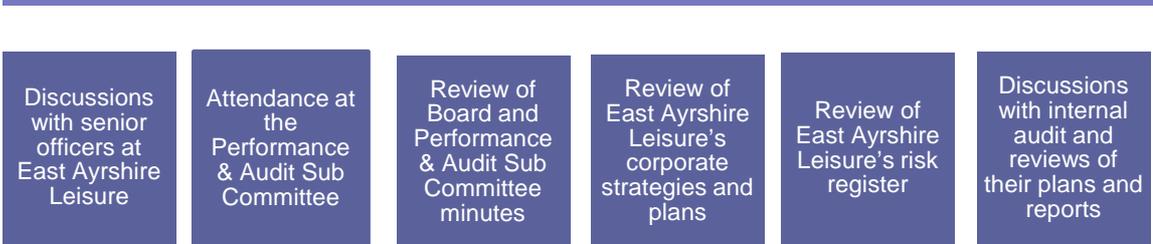
# Audit strategy

# Audit strategy

## Risk-based audit approach

9. We will adopt a risk-based approach to audit planning that reflects our overall assessment of the relevant significant risks that apply to East

Ayrshire Leisure. This ensures that our audit focuses on the areas of highest risk. Our audit planning is based on:



10. Planning is a continuous process and our audit plans are therefore updated during the course of the audit to take account of developments as they arise.

services are provided by independent partners and staff who have no involvement in the audit of the financial statements.

## Communications with those charged with governance

11. Auditing standards require us to make certain communications throughout the audit to those charged with governance. We have agreed that these communications will be through the Performance & Audit Sub Committee.

15. During 2016/17 we facilitated two sessions on risk management with East Ayrshire Leisure's Senior Management Team (SMT) and Board. These sessions were delivered by staff who have no involvement in the audit of the financial statements.

## Professional standards and guidance

12. We perform our audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) (ISAs), the International Standard on Quality Control 1 (UK and Ireland), Ethical Standards, and applicable Practice Notes and other guidance issued by the Financial Reporting Council (FRC).

16. We are commissioned by East Ayrshire Council to prepare the Trust's financial statements in accordance with legislation and Charity SORP requirements. We prepare the financial statements from the final trial balance provided by East Ayrshire Leisure. No significant disclosures, adjustments or estimates are decided by Scott-Moncrieff.

## Confirmation of independence

13. International Standard on Auditing (UK and Ireland) 260, "Communication with those charged with governance" requires us to communicate on a timely basis all facts and matters that may have a bearing on our independence.

17. We can confirm that we have complied with the FRC's Revised Ethical Standard 2016. In our professional judgement the audit process is independent and our objectivity is not compromised.

14. In addition to the audit of the financial statements, Scott-Moncrieff has provided tax and VAT services to the charity. All tax

18. An employee of Scott-Moncrieff, Elizabeth Young, is vice chair of the board and is serving on the Performance & Audit Sub Committee. In accordance with the FRC's Revised Ethical Standard 2016, in our professional judgement the audit process is independent and our objectivity is not compromised, assuming the following safeguards are in place:

- She does not accept any invitation to chair the Performance & Audit Sub Committee

- She is absent from any committee meetings at which the performance or remuneration of the auditor is discussed; and
  - She takes no part in any meetings with us and the directors to discuss the planning or results of the audit.
19. We confirm that we have implemented internal safeguards to ensure Elizabeth has no involvement in our audit work and that no members of staff working on the audit discuss any aspects of the audit with her.

# 4

# Financial statements

# Financial statements

## Approach to audit of financial statements

20. Our opinion on the financial statements will be based on:

### Risk-based audit planning

21. We focus our work on the areas of highest risk in all aspects of our work, including our audit of the financial statements. As part of our planning process we prepare a risk assessment highlighting the audit risk relating to each of the key systems on which the financial statements will be based.
22. During our audit we will test and review the material amounts and disclosures in the financial statements. The extent of testing will be based on the risk assessment.

### Materiality

23. Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor's report. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement.
24. Our initial assessment of materiality is set out in the table below.

#### Materiality

East Ayrshire Leisure
£75,000

25. Our assessment of materiality is set with reference to a range of benchmarks (including incoming resources and any surplus/deficit on provision of services). We consider these to be the principal considerations for the users of the financial statements when assessing the performance of the East Ayrshire Leisure. We will continue to review our assessment of materiality during the course of our audit.

26. We set a performance (testing) materiality for each area of work which is based on a risk assessment for the area. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be of significant risk of material misstatement.

#### Performance materiality

Area risk assessment	East Ayrshire Leisure
High	37,500
Medium	45,000
Low	56,250

27. We will report any misstatements identified through our audit that fall into one of the following categories:
- All material corrected misstatements;
  - Uncorrected misstatements with a value in excess of 5% of the overall materiality figure; and
  - Other misstatements below the 5% threshold that we believe warrant reporting on qualitative grounds.

## Key audit risks in the financial statements

28. Auditing standards require that we inform the Performance & Audit Sub Committee of our assessment of the risk of material misstatement in the financial statements. We have set out our initial assessment below, including how the scope of our audit responds to those risks. We will provide an update to the Performance & Audit Sub Committee if our assessment changes significantly during the audit.

## 1. Revenue recognition

Under International Standard on Auditing (UK & Ireland) 240, "*The auditor's responsibilities relating to fraud in an audit of financial statements*" there is a presumed risk of fraud in relation to revenue recognition. The presumption is that the Trust could adopt accounting policies or recognise income in such a way as to lead to a material misstatement in the reported revenue position.

- 
29. Whilst we do not suspect any incidences of fraud or error, we will evaluate each type of revenue transaction and document our conclusions.

## 2. Management override

In any organisation, there is a risk that management and directors have the ability to process transactions or make adjustments to the financial records outside of the normal financial control processes. Such transactions could lead to a material misstatement in the financial statements. We treat this as a presumed risk area in accordance with International Standard on Auditing (UK & Ireland) 240, "*The auditor's responsibilities relating to fraud in an audit of financial statements*".

- 
30. 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.
-

# 5

## Audit timetable and audit fees

# Audit timetable and audit fees

31. We have set out below our proposed timetable for the 2016/17 audit:

Key date	Description
16 March 2017	Planning meeting with senior management
April 2017	External Audit Plan issued
May 2017	Final audit visit commences
12 July 2017	Closing meeting
21 August 2017	Presentation of our Report on the Audit to the Performance & Audit Sub Committee
August 2017	Approval and signing of the financial statements

## Audit fees

32. Our audit fees for the financial year 2016/17 are set out below (these exclude taxation services):

	£ (excluding VAT)
East Ayrshire Leisure	11,000

# 6

## Your audit management team

# Your audit management team

Scott-Moncrieff is one of the largest independent accountancy firms in Scotland. We have 18 partners and 200 staff operating from Edinburgh, Glasgow and Inverness. We are also part of the global Moore Stephens network.

Edinburgh	Glasgow	Inverness
Exchange Place 3 Semple Street Edinburgh EH3 8BL (0131) 473 3500	25 Bothwell Street Glasgow G2 6NL (0141) 567 4500	10 Ardross Street Inverness IV3 5NS (01463) 701 940

## Your audit management team



**Nick Bennett**  
**Audit Partner**  
[nick.bennett@scott-moncrieff.com](mailto:nick.bennett@scott-moncrieff.com)

Nick will have overall responsibility for all aspects of the firm’s services to East Ayrshire Leisure, working closely with your Board and senior management to ensure we understand and deliver the service that meets your needs and requirements.



**Karen Jones**  
**Audit Director**  
[karen.jones@scott-moncrieff.com](mailto:karen.jones@scott-moncrieff.com)

Karen is your key contact; responsible for the management and control of the external audit services we provide to East Ayrshire Leisure. Karen is always available to provide accounting and other advice to the Board and senior management.



**Scott-Moncrieff**  
business advisers and accountants



# REPORT TO BOARD OF TRUSTEES



## STAFF RECOGNITION AWARDS

Date: 22 May 2017

Agenda Item: 7

Report By: Jackie Biggart, People and Finance Manager

### Summary

This report provides details of nominations for the East Ayrshire Leisure's Staff Recognition Scheme for the period January to March 2017 for consideration.

## 1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide information to Trustees to allow the consideration of nominations for the Staff Recognition Scheme for the period January to March 2017.

## 2 BACKGROUND

- 2.1 In June 2016 East Ayrshire Leisure Board of Trustees considered and approved the introduction of a Staff Recognition Award scheme in support of strategic objective 4 of the Business Plan; 'To be recognised as an employer of choice'.
- 2.2 The scheme was introduced in October 2016, and for the period January – March 2017 drew 8 public nominations for the award of 'Delivering Excellent Customer Service' nominating 7 individuals or groups of individuals, and 1 internal nomination for the award of 'Going the Extra Mile'. Nomination forms are included as Appendix 1.

## 3 CONSIDERATIONS

- 3.1 Nominations were scored using the criteria relevant to the award categories and selection criteria and scores are included as Appendix 2. As can be seen from the scoring matrix this exercise has identified a preferred nominee for each separate award.
- 3.2 Trustees are reminded of approval given at the Performance and Audit committee on 13<sup>th</sup> February 2017, to introduce a revised nomination form for each category. The revised forms outline more detailed criteria which will assist in the nominations and judging of the Staff Award Scheme and are provided at Appendix 3.
- 3.3 The revised nomination forms were delivered to all East Ayrshire Leisure establishments prior to the 1<sup>st</sup> April 2017. In order to avoid duplication or confusion previous editions of the nomination forms were also removed at this time.

### Recommendation/s:

It is recommended that the Board:

- i. Consider and approve the nominations for the external award of 'Delivering Excellent Customer Service' and the internal award of 'Going the Extra Mile'; and
- ii. Otherwise note the content and appendices of this report.

Signature: Jackie Biggart

Designation: People & Finance Manager

Date: 27 April 2017

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE

EAST AYRSHIRE LEISURE

02 MAR 2017

2016

### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

Please complete your details below and those of the person you wish to nominate.

#### Your Details:

Name

David Connell

Telephone

07468050357

Address

65 Craigie Road, Hutford, East Ayrshire, Scotland

e-mail

davidconnell33@gmail.com

#### Details of person you wish to nominate:

Name of Individual

Tommy McAteer

Job title

VSA

Workplace Address

Grand Hall Kilmarnock

Is the individual aware that they have been nominated?

Yes

No

Please complete overleaf

Please state below the reason for nominating this person. Continue on a separate sheet if required.

Great vital visitors to the Grand Hall  
Makes you feel at ease and at home when  
you enter. Provides assistance with any  
of the visitors needs and does this to the  
highest possible standards that he can.

Johnny helps in the setting up weekly  
classes and is always happy and cheerful, this  
really boosts the morale of the class.

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1LL

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

**Please complete your details below and those of the person you wish to nominate.**

#### Your Details:

Name	Paris Thomson
Telephone	44 7547 629064
Address	talor wimpy ka31pb
e-mail	Paristhompson05@outlook.com

#### Details of person you wish to nominate:

Name of Individual	Gemma Walsh
Job title	front desk
Workplace Address	grange leisure centre

Is the individual aware that they have been nominated?

Yes  No

Please complete overleaf

Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

Gemma is a lovely woman she is so caring towards other's she is helpful to her work friends and any one that walks in the door that is why she should win the Staff Recognition award

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1NQ

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

**Please complete your details below and those of the person you wish to nominate.**

#### Your Details:

Name	<input type="text" value="Caitlin Baillie"/>
Telephone	<input type="text" value="07873 219069"/>
Address	<input type="text" value="KA3 6PD"/>
e-mail	<input type="text" value="caitlinbaillie0707@yahoo.com"/>

#### Details of person you wish to nominate:

Name of Individual	<input type="text" value="Gemma Walsh"/>
Job title	<input type="text" value="Front Desk"/>
Workplace Address	<input type="text" value="Grange Leisure Centre"/>

Is the individual aware that they have been nominated?

Yes  No

Please complete overleaf

Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

Gemma is extremely kind and helpful and very caring towards her staff and customers.

Gemma also shows a lot of respect and effort in to her work and shows you where to go.

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1NQ

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

Please complete your details below and those of the person you wish to nominate.

#### Your Details:

Name	DAVID YEATS
Telephone	01563 540824
Address	8 FISHER CRT, KNOCKENTIBER, KILMARNOCK
e-mail	davidyeats55@gmail.com

#### Details of person you wish to nominate:

Name of Individual	GEMMA & JOYCE
Job title	PPP ASSISTANTS
Workplace Address	GRANVE ACADEMY

Is the individual aware that they have been nominated?

Yes  No

Please complete overleaf



Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

CHEERY DISPOSITION AND PROFESSIONAL ATTITUDE

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1NQ

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

Please complete your details below and those of the person you wish to nominate.

#### Your Details:

Name

Telephone

Address

e-mail

#### Details of person you wish to nominate:

Name of Individual

Job title

Workplace Address

Is the individual aware that they have been nominated?

Yes  No

Please complete overleaf



Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

We have ~~been~~ BEEN COMING TO BADMINTON FOR NEARLY 2 years and enjoy coming every Thursday evening.

We are always meet at the door with the warm hearted and caring people overheat they always bend over backwards to make our game enjoyable.

Always Always have a SMILE ON their face and a cheery disposition.

THATS WHY we are putting them forward for a Recognition Award.

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1NQ

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

Please complete your details below and those of the person you wish to nominate.

#### Your Details:

Name

BRIAN GILROY.

Telephone

01563 5231224

Address

7 SOUTHOOK VIEW KILMARNOCK

e-mail

bgilroy@pdm ltd.co.uk

#### Details of person you wish to nominate:

Name of Individual

JOYCE, GEMMA, MARYELLEN, STEPHEN.

Job title

PPP ASSISTANTS.

Workplace Address

GRANGE ACADEMY.

Is the individual aware that they have been nominated?

Yes

No

Please complete overleaf



Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

THEY go the extra mile to help the Customers  
and nothing is not too much bother,  
The Staff all make you feel welcome with  
Smiles and a pleasant attitude.

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1NQ

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

Please complete your details below and those of the person you wish to nominate.

#### Your Details:

Name

LINDA MACCALLUM

Telephone

07900 503341

Address

3 HUNTER RD CROSSHOUSE KAT OLB

e-mail

Lindamacallumead.com

#### Details of person you wish to nominate:

Name of Individual

PATRICIA DUTHIE

Job title

LIBRARIAN

Workplace Address

CROSSHOUSE LIBRARY

Is the individual aware that they have been nominated?

Yes

No

Please complete overleaf

Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

PATRICIA DUTHIE IS EXPERIENCED, KNOWLEDGEABLE  
AND I FEEL ALWAYS GOES THE EXTRA MILE FOR  
HER CUSTOMERS, A REAL COMMUNITY ASSET

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

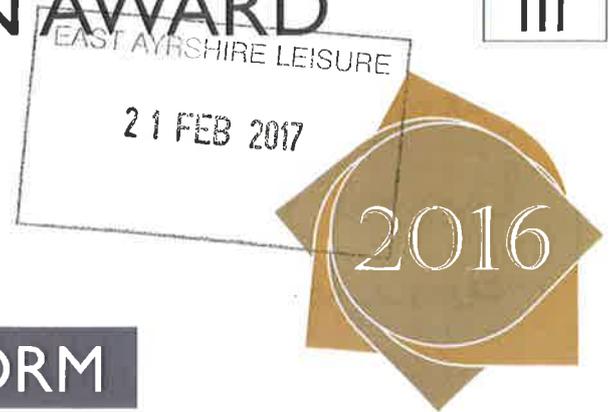
**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1LL

# STAFF RECOGNITION AWARD

111

## DELIVERING EXCELLENT CUSTOMER SERVICE



### PUBLIC NOMINATION FORM

This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

Please complete your details below and those of the person you wish to nominate.

#### Your Details:

Name

Jamie MacCallum

Telephone

07948 780524

Address

3 HUNTER ROAD

e-mail

jamie.maccallum@aol.co.uk

#### Details of person you wish to nominate:

Name of Individual

Patricia Duxhie

Job title

Librarian

Workplace Address

Crosshouse  
Library

Is the individual aware that they have been nominated?

Yes

No

Please complete overleaf



Please state below the reason for nominating this person. *Continue on a separate sheet if required.*

Patricia is always friendly and helpful and always does her very best for her customers. Her customer service is of the highest standard

Thank you for taking the time to complete this form and for helping to acknowledge excellence within our staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1LL

# STAFF RECOGNITION AWARD

112

## GOING THE EXTRA MILE

EAST AYRSHIRE LEISURE  
27 JAN 2017

2016

### INTERNAL NOMINATION FORM

This form should be used to nominate a fellow East Ayrshire Leisure employee who you think has demonstrated exceptional efforts in their job, willingness to go the extra mile or for any aspects of outstanding work/ achievement.

**Please complete your details below and those of the person you wish to nominate.**

#### Your Details:

Name	DAVID BROWN
Telephone	01563 554349
Workplace Address	DOWER HOUSE, DEAN ESTATE, DEAN ROAD, KILMARNOCK KAB 1XB
e-mail	dauid.brown@east-ayrshire.gov.uk

#### Details of person you wish to nominate:

Name of Individual	TONY McBRIDE
Job title	GOLF STARTER
Workplace Address	DOON VALLEY GOLF COURSE HILLSIDE PATNA KAB 7JT

Is the individual aware that they have been nominated?

Yes  No

Please complete overleaf



Please state below the reason for nominating this person. Continue on a separate sheet if required.

TONY McBRIDE, WHO IS IN HIS EARLY 70s, IS INVOLVED IN ALL ASPECTS OF DOON VALLEY GOLF CLUBS. HE IS EMPLOYED AS THE STARTER BUT IS ALSO THE BAR STEWARD AND A GOLFER IN HIS FREE TIME. HE CAPTAINED THE PATNA TEAM TO VICTORY AGAINST DALMELLINGTON IN THE 'NEAL RYDER CUP' AT D.V.G.C. IN 2015. HE IS WELL RESPECTED IN THE VILLAGE AND BY COLLEAGUES. TONY WAS A RETIRED MINER WHEN HE CAME TO THE GOLF INDUSTRY BUT HAS EMBRACED HIS NEW LINE OF WORK. AS AN EMPLOYEE TONY HAPPILY GOES THE EXTRA MILE. HE HAS BEEN PROACTIVE IN TRYING TO RETAIN MEMBERS DESPITE THE TREND OF GOLFERS MOVING TO LARGER 18 HOLE COURSES NEARBY. TONY HAS HELPED OUT ON THE GOLF COURSE WHENEVER REQUIRED, DEMONSTRATING HIS 'CAN DO' ATTITUDE. TONY IS VERY FLEXIBLE AND READILY COMES IN ON DAYS OFF TO OPEN THE OFFICE FOR REPAIRS, INSPECTIONS ETC. DUE TO THE LACK OF COMMUNITY ASSET TRANSFER INTEREST IT HAS BEEN A CHALLENGING TIME BUT TONY HAS HANDLED THIS WELL. TONY'S CONTRIBUTION OVER THE LAST FEW YEARS IS WORTH RECOGNISING EVEN IF THIS HAPPENS AFTER THE FACILITY CLOSURE.

Thank you for taking the time to complete this form and for helping to acknowledge excellence within the staff team.

**Please return completed forms to:**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1NQ

Appendix 2

Delivering Excellent Customer Service – Scoring Matrix

<b>NOMINEE</b>	<b>DESIGNATION</b>	<b>SUMMARY</b>	<b>SCORE</b>
Johnny McAteer	Visitor Support Assistant	Makes you feel at ease, provides assistance to the highest possible standard, always happy and cheerful, boosts morale.	3/5
Gemma Walsh	PPP Assistant	Caring to staff and colleagues, kind and helpful.	2/5
Gemma, Joyce, Mary Anne, Stephen and Ashley	PPP assistants	Nothing too much trouble, make you feel welcome, pleasant attitude, bend over backwards to make the game enjoyable, cheery disposition.	3/5
Patricia Duthie	Librarian	Friendly and helpful, highest standard of customer service, experienced knowledgeable, community asset.	4/5 (Recommended)

Appendix 2

**Going The Extra Mile – Scoring Matrix**

NOMINEE	DESIGNATION	SUMMARY	SCORE
Tony McBride	Golf Starter	Involved in all aspects of Doon Valley Golf Club, well respected, embraced new line of work, proactive in trying to retain members, can do attitude, flexible comes in when on days off.	4/5 (Recommended)

# STAFF RECOGNITION AWARD

## Delivering Excellent Customer Service - Public Nomination



This form should be used to nominate an East Ayrshire Leisure employee who you think has demonstrated excellent customer service.

### About you

Name	
Address	
E-mail	
Tel	

### About the person you wish to nominate

Name	
Job Title	
Workplace Address	

Is the individual aware they have been nominated? Yes  No

### GUIDANCE NOTES FOR MAKING A NOMINATION

1. In order to make a nomination you should read the categories below carefully and choose which one of the categories you wish to use:

<p>1. Going out of the way to put the customer first; e.g</p> <ul style="list-style-type: none"> <li>• Displays excellent customer service on a <b>regular</b> basis</li> <li>• No job is too much trouble</li> </ul>	<p>2. Providing additional services in support of customer needs; e.g</p> <ul style="list-style-type: none"> <li>• Actively seeks customer views to improve the service</li> <li>• Undertakes volunteering work</li> </ul>	<p>3. Consistently delivers a high quality of service; e.g</p> <ul style="list-style-type: none"> <li>• Always ensures that customer needs are met</li> <li>• Facilities are always clean and suitable for use</li> <li>• Other relevant</li> </ul>
<p>Choosing this category means that the staff member offers exceptional service on a <b>regular</b> basis.</p>	<p>Choosing this category means that the staff member is flexible and <b>actively</b> seeks to assist customers on a <b>regular</b> basis.</p>	<p>Choosing this category means that the staff member <b>always</b> offers a high level of customer service on <b>every</b> occasion.</p>

→ OR → OR →

- Using your chosen category, think of a good example of how the person you have nominated meets that category, you should feel free to use the criteria provided above.
- Write about the example you have chosen giving as much detail as possible. Write as much as you feel that you need to, please enclose further sheets if necessary.

Please complete the nomination on the next page.

Please choose one of the nomination categories provided on the previous page and complete your nomination by giving an example below.

Category 1 or 2 or 3 (Please circle as appropriate)



Thank you for taking the time to complete this form and for helping to acknowledge excellence within our team.

**Please send your completed application form to;**

Staff Recognition Award,  
People & Finance,  
Western Road,  
Kilmarnock,  
KA3 1LL

or email: [info@eastayrshireleisure.com](mailto:info@eastayrshireleisure.com)

# STAFF RECOGNITION AWARD

## Going the Extra Mile - Internal Nomination

112

This form should be used to nominate a fellow East Ayrshire Leisure employee who you think has demonstrated exceptional efforts in their job, willingness to go the extra mile or for any aspects of outstanding work.

### About you

Name	
Workplace Address	
E-mail	
Tel	

### About the person you wish to nominate

Name	
Job Title	
Workplace Address	

Is the Individual aware they have been nominated? Yes  No

### GUIDANCE NOTES FOR MAKING A NOMINATION

1. In order to make a nomination you should read the categories below carefully and choose which one of the categories you wish to use:

<p><b>1. Innovation</b></p> <ul style="list-style-type: none"> <li>• Developing new processes/practices which reduce waste or boost resources</li> <li>• Suggests creative ways to solve problematic situations</li> <li>• Other relevant</li> </ul>	<p><b>2. Enhancing the Culture</b></p> <ul style="list-style-type: none"> <li>• Is a positive role model for colleagues</li> <li>• Undertakes volunteering work which enhances service delivery</li> <li>• Other relevant</li> </ul>	<p><b>3. Proactive</b></p> <ul style="list-style-type: none"> <li>• Demonstrates flexibility to meet the needs of the organisation</li> <li>• Volunteers to sit on working groups</li> <li>• Other relevant</li> </ul>
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—————▶ OR —————▶ OR —————▶

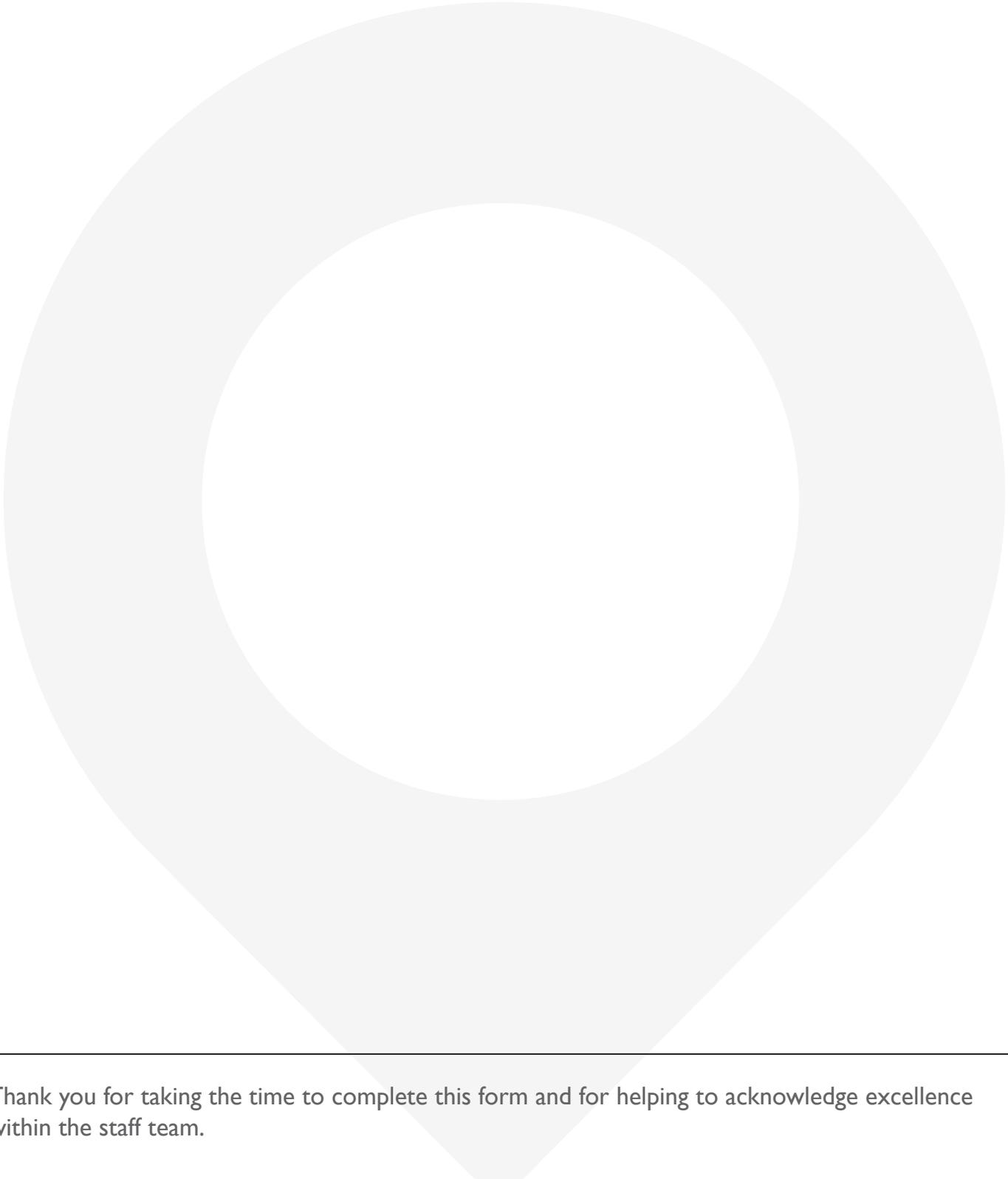
- Using your chosen category, think of a good example of how the person you have nominated meets that category, you should feel free to use the criteria provided above.
- Write about the example you have chosen giving as much detail as possible. Write as much as you feel that you need to, please enclose further sheets if necessary.

Please complete the nomination on the next page.



Please choose one of the nomination categories provided on the previous page and complete your nomination by giving an example below.

Category 1 or 2 or 3 (Please circle as appropriate)



Thank you for taking the time to complete this form and for helping to acknowledge excellence within the staff team.

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