

PERFORMANCE & AUDIT SUB COMMITTEE

Date: 14 June 2022

Location: Reception Room, Grand Hall, Kilmarnock

Start time: 4pm

AGENDA			
AGENDA ITEM	FOR NOTING	FOR DISCUSSION	FOR APPROVAL/ DECISION
1. Apologies for Absence	✓		
2. Declarations of Interest	✓		
3. Notes of Previous Meeting – 8 February 2022			✓
4. Performance Report Jan – Mar 2022			✓
5. External Audit Plan 2021-22	✓		
6. Internal Audit Plan 2022-23			✓
7. Staff Recognition Award This is a restricted document and not for onward circulation			✓
8. AOCB			
9. Dates of Next Meetings: Trust Board: 28 June 2022 Performance & Audit Sub-Committee: 16 August 2022			

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

PERFORMANCE REPORT JANUARY – MARCH 2022

Date: 14 June 2022

Agenda Item: 4

Report by: Anneke Freel, Chief Officer

1 PURPOSE OF REPORT

- 1.1 This report provides details of the Trust's performance for the period January – March 2022, the final quarter of the 2021/22 financial year.
- 1.2 Whilst the report provides Trustees with a detailed analysis of Trust performance in the period, it is set within a context of ongoing restrictions brought about by Covid-19 and subsequent recovery. As we work towards increasing confidence, our venues and services are beginning to return to pre-covid performance figures and, in some cases, exceeding them.

2 FINANCIAL PERFORMANCE

- 2.1 The East Ayrshire Leisure Performs Q4 report provides detail of the Trust's financial performance for the period January – March 2022. The actual outturn for East Ayrshire Leisure at 31st March 2022 is a favourable position of £455,644 which will be reduced to £132,014 following designation of items that were included in the 2021/22 projections but were not completed or delivered by 31st March 2022. This designation of funds totals £323,630. Within these designated items is a recommendation that a further £20,000 is designated to Retained Reserves leaving the balance of £132,014 to be allocated to Unallocated Reserves. This position has been achieved due to substantial external funding (£246k) which the Trust has successfully obtained this financial year.
- 2.1 The projected outturn for East Ayrshire Leisure Trust at 31st March 2021 is a significant improvement since the Q2 position of £104,750.

3 PERFORMANCE STATISTICS

- 3.1 The performance figures across our cultural venues are beginning to show strong recovery and have returned to 80% of pre-covid figures. This is predominantly due to popular programming Cumnock Town Hall which in itself has shown an increase on pre-covid figures of 75%.
- 3.2 The Baird Institute has also had a successful quarter. Q4 is typically a quiet period for the museum. However, the Matisee exhibition that was on display attracted a number of visitors and the Baird saw an increase of 150% on the 2019/20 baseline. Other venues that are typically quiet in Q4, but have performed well are Annanhill Golf Course and Ayrshire Athletics Arena.
- 3.3 Online reader engagement has seen an increase of 88% in Q4 compared to the same period in 2019/20 prior to Covid restrictions.

PERFORMANCE AND AUDIT SUB-COMMITTEE

4 QUARTER HIGHLIGHTS

- 4.1 In January 2022 the Palace & Grand Hall reopened again after the Christmas Covid closure and we are delighted that the venue started getting back into full swing in March, hosting our first full scale community show in 2 years – Shrek by Take a Bow in the Palace and the American jazz singer Curtis Stigers in the Grand Hall.
- 4.2 Our Fitness memberships by the end have shown full recovery post Covid. Our group fitness class programme has been extremely popular and we have been able to invest in 30 new top of the range Keiser spin bikes for the Rose Reilly Sports Centre. However, continue to experience significant challenges around the retention and recruitment of group fitness class instructors and are investigating a number of options to address this.
- 4.3 6 of our lifeguards were successfully received their Swimming Teacher Qualification during quarter 4. This will allow us to increase the number of Learn to Swim classes and help more children return to our swimming pools.
- 4.4 The #Active EA group's original members met to review and discuss the role of the group moving forward. It has been decided to increase its reach to enhance collaboration between partners focusing on three keys areas: Health & Wellbeing, Activity and the Outdoors.

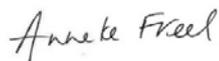
5 RISK REGISTER

- 5.1 No changes have been made to the Risk Register as part of the quarterly reporting and monitoring.

Recommendation/s:

It is recommended that Trustees:

- i. Consider and approve the East Ayrshire Leisure Performs Report for the period January – March 2022; and
- ii. Otherwise note the content of this report.



Signature:

Designation: Chief Officer

Date: 16 May 2022



EAST AYRSHIRE LEISURE PERFORMS

QUARTER 4

JANUARY - MARCH

2021/22



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PROGRESS AGAINST CORPORATE DELIVERY PLAN 2020-22



KEY

Chief Officer	CO	Finance & Business Development Manager	F&BDM	Leisure Development Manager	LDM
Head of Corporate Services	HCS	Cultural Development Manager	CDM	Property & Estates Development Manager	P&EDM
Relationship & Business Development Manager	R&BDM	Community & Performing Arts Development Manager	C&PDM	Sports Development Manager	SDM



 - No Progress
  - Some Progress
  - Complete

SHARING OUR VISION

Delivery Plan Output		Lead	Progress	Comments
Action: We will introduce Customer Exchange evenings at key venues to ensure that customers have the opportunity to discuss the priorities for facilities and services				
1	Organise 2 customer Exchange evenings each year at key venues	HCS		<u>Carried forward to 2022-24</u>
Action: We will be represented on appropriate community forums including community sports hubs, community councils and community action plan steering groups				
Actions Complete				
Action: We will develop a Plan which complements our Strategic Objectives, utilising the full marketing mix and ensuring tailored campaigns are created.				
3	Design a Communications Strategy	R&BDM		<u>Carried forward to 2022-24</u>
5	Campaigns for each project will be created, implemented and monitored	R&BDM		Marketing Campaigns are developed annually in conjunction with service managers.
7	A press and PR strategy will be developed to maximise coverage locally, nationally and through specialist press to drive visitor/audience growth	R&BDM		<u>Carried forward to 2022-24</u> Under Communications Strategy
8	Design, develop and deliver detailed evaluation strategy for all areas of Trust	R&BDM		An evaluation strategy has been developed and will form part of the Community Renewal Project.
Action: We will develop a collaborative working arrangement with East Ayrshire Vibrant Communities to explore potential shared services, partnership working and innovation in delivery				
Actions Complete				
Action: We will work with key partners to develop a Cultural Strategy for East Ayrshire				
10	Establish a working group with all key stakeholders represented	CDM		<u>Carried forward to 2022-24</u>

11	Develop a region wide document that sets a shared set of objectives, performance indicators and monitoring systems and outlines an agreed direction of the sector.	CDM		<u>Carried forward to 2022-24</u>
12	Maintain and develop futuremuseum.co.uk partnership increasing visits to site of 2% every 2 years	CDM		<u>Carried forward to 2022-24</u> MGS bid SUCCESSFUL - £47,000.00 Project now underway.
Action: We will develop a formal collaborative arrangement with the Kilmarnock Leisure Centre Trust				
14	Reviewed existing services to reduce duplication and identify areas of best practice	CO		<u>Not achievable in 2020-22</u> Kilmarnock Leisure Centre Trust and East Ayrshire Leisure Trust are focusing on recovery from covid19 pandemic. Collaboration and partnership working will be considered when both organisations have fully reactivated. This output will not be delivered as part of the 2020-22 Delivery Plan
Action: We will review our customer service standards and charter and customer feedback forms introducing key customer performance targets which we will measure monitor and report on annually				
15	Benchmark customer service performance targets, identifying a range of relevant targets	HCS		<u>Carried forward to 2022-24</u>
16	Establish focus groups of customer and key partners in order to identify 3 key customer performance targets	HCS		<u>Carried forward to 2022-24</u>

 - No Progress
  - Some Progress
  - Complete

LEISURE AT THE HEART OF EVERY COMMUNITY

LEISURE AT THE HEART OF EVERY COMMUNITY				
Delivery Plan Output	Lead	Progress	Comments	
Action: We will use the information from the Facility Audit 2019/20 to develop a Facility and Investment Strategy Actions Complete				
Action: We will continue to invest in our significant cultural built environment assets (Dick Institute, Dean Castle, Baird Institute, Burns House Museum, Palace Theatre) to ensure all venues maintain at least four star Visit Scotland status Actions Complete				
Action: We will work with local partners to develop an options appraisal for the future of Auchinleck Leisure Centre Actions Complete				
Action: We will work with East Ayrshire Council on the development of Doon Leisure Centre as part of the new school development at Doon Academy Actions Complete				
Action: We will work with East Ayrshire Council to carry out a review of all synthetic and grass and pitches and pavilions as well as a floodlight replacement programme Actions Complete				
Action: We will develop an Improvement Plan for Ayrshire Athletics Arena that includes an extension to the outdoor spectator area at Ayrshire Athletics Arena to enhance the facility and attract National Athletics Events				
33	Liaise with key partners to develop a costed specification for spectator and other facilities at Ayrshire Athletics Arena	SDM		<u>Partially complete, carried forward to 2022-24</u> The new fitness suite has opened within the facility. It has not been possible to take forward feasibility works around the additional spectator facilities but will be included with the Corporate Delivery Plan 2022-2024.
34	Submit funding applications	SDM		<u>Carried forward to 2022-24</u>
35	Develop a sponsorship package	SDM		<u>Carried forward to 2022-24</u>

36	Increase spectator seating capacity by 50%	SDM		<u>Carried forward to 2022-24</u>
37	Work with Scottish Athletics and Kilmarnock Harriers to attract 2 national events to complement the local and regional programme of athletics events at the AAA	SDM		<u>Carried forward to 2022-24</u>
Action: We will continue to implement the East Ayrshire Strategic Route Network				
38	Implement a 40km paths network in the Irvine Valley	LDM		<p>During this period our contractor commenced work on Darvel to Loudoun Hill route, focusing on sections 1-3. Over this period the contractor successfully worked to prepare the ground, remove old fencing and styles, felled and pruned trees, cleared and created new drains, installed new fences and completed the construction of the new paths.</p> <p>Negotiations continued over several points raised by land owners' solicitors and EAC Legal Services provided revised drafts for Long Cairn Walk, Long Cairn Walk Connector, Section 6 and Section 4 path agreements.</p> <p><u>Project will continue in 2022-23</u></p>
42	Oversee implementation of the Doon Valley Way and the Lugar Water Trail as part of the Coalfield Communities Landscape Partnership	LDM		<p>Tender for Lugar Water Trails completed with 10 returns from potential contractors.</p> <p>Project will continue in 2022-24</p>
Action: To develop a masterplan for the development of the Palace Theatre and Grand Hall Complex and submit funding bids to implement the masterplan				
44	Submit external funding bids	CO		<u>Carried forward to 2022-24</u>
45	Develop community engagement and activity plan	CO		<u>Carried forward to 2022-24</u>

Action: We will develop a management plan for Annanhill Golf Course that maximises customer experience whilst protecting and enhancing nature conservation				
47	Development of a community engagement/consultation plan	P&EDM		Complete
50	Adoption of a 5 year management plan for the integrated site which includes parkland and golf course	P&EDM		<u>Carried forward to 2022-24</u>
51	Submit Greenflag Award application	P&EDM		This output will not be delivered as part of the 2020-22 Delivery Plan. Options will be considered within the Climate Change Strategy in the 2022-2024 Delivery Plan.
Action: We will review the Dean Castle Country Park management plan to ensure a that visitors continue to enjoy the country park whilst protecting and enhancing nature conservation				
52	Development of a community engagement/consultation plan	LDM		
56	Greenflag Award achieved	LDM		
Action: We will develop a maintenance and development plan for the River Ayr Way				
57	Development of a community engagement/consultation plan	LDM		
60	Adoption of a 5 year maintenance and development plan for the River Ayr Way	P&EDM		<u>Carried forward to 2022-24</u>

 - No Progress  - Some Progress  - Complete

LIVING YOUR BEST LIFE				
Delivery Plan Output		Lead	Progress	Comments
Action: We will develop an EAL specific cultural engagement strategy to outline our commitment to lifelong participation in visual and performing arts, libraries, museums and performing arts				
61	Establish a number of cultural engagement working groups to work on each area of engagement	CDM		Dean Castle Reopening Event: Funding bid submitted to REF. <u>Carried forward to 2022-24</u>
62	Develop an engagement strategy which outlines sustained engagement programmes such as Bookbug, E-books, reader development strategies; digital initiatives and participatory arts activities	CDM		The Cultural Development team have been working on an engagement strategy in parallel with the Digital Transformation Strategy. <u>Carried forward to 2022-24</u>
63	Include the Education Attainment Challenge Framework and other school facing activities and monitor related active involvement	CDM		The EACF and CfE are embedded within the research being undertaken as part of line 62 above. <u>Carried forward to 2022-24</u>
64	Align the above to a shared set of objectives, performance indicators and monitoring systems in relation to all cultural engagement activities	CDM		The development of the monitoring and evaluation strategy will follow on from the research and development of lines 62 and 63 above. <u>Carried forward to 2022-24</u>
Action: We will continue to programme high quality outward facing cultural programmes that profile East Ayrshire as a must visit destination.				
Actions Complete				
Action: We will continue to offer a varied programme of events and activities across our performing arts venues and extend the programme to community venues				
68	Deliver a programming policy which supports an innovative programme of dance, music and drama across all community and performing arts venues	C&PDM		Draft updated policy under review
69	Support community partners in the delivery of their performing arts workshops and programmes	C&PDM		CAMPS supported in their annual Panto production at Cumnock Town Hall; LMS supported with their Nov show in Grand Hall and Crossroads YF and Take a Bow's Shrek in February 2022. In March 2022 an

				amended EAC Dance Fest took place. Less shows supported than normal due to Covid.
71	Present 2 EAYT productions each year.	C&PDM		EAYT had showcase shows in June & November 2021 in the Palace Theatre and they were very well received.
Action: We will complete the refurbishment and restoration of Dean Castle and establish the importance of the re-opening of the newly refurbished venue				
72	Deliver the five year plan which forms part of the funded programme commitment.	CDM		<p>Building Works – ongoing and scope of work under review. Work to Chapel, Gatehouse, Laundry buildings being reviewed.</p> <p>Interpretation – Text and image review of panels 80% achieved. Review of animation, sound interactives and props yet to begin. Musical Instrument catalogue being developed.</p> <p>Conservation – Working with EAC procurement around the development of a new conservation framework which will support the conservation of approx. 1,000 objects for redisplay. First specialists conservators have visited to review the collections and quote for conservation.</p> <p>Activity and Engagement – plans being redeveloped to include blended digital school engagement and online audience events. Contact with schools made for Autumn term workshops.</p> <p><u>Carried forward to 2022-24</u></p>
73	Carry out detailed evaluation plan linked to the funded programme.	CDM		
74	Relaunch Dean Castle in 2021	CDM		<p>Relaunch Event – funding bid submitted.</p> <p><u>Carried forward to 2022-24</u></p>
Action: We will prepare an East Ayrshire Aquatics Strategy				
76	Establish a Swimming Development working group with all key stakeholders represented	SDM		<u>Carried forward to 2022-24</u>

				Providers main focus has been on reactivation of services throughout the pandemic. This will be something that is developed further within the new delivery plan.
77	Develop an district wide aquatics strategy which sets a shared set of objectives, performance indicators and monitoring systems in relation to all aquatics sports and activities	SDM		<u>Carried forward to 2022-24</u> , however it will initially focus on East Ayrshire Leisure.
78	Increase 'Learn to Swim' membership by 10%	SDM		<u>Carried forward to 2022-24</u> Learn to Swim membership has increased at Loudoun LC, however Parent & Toddler lessons have been unable to return due to instructor challenges. Due to a lack of instructors we have been unable to reactivate all our previous LTS memberships at Auchinleck and Doon Valley Leisure Centre. Revised KPI's will be included with the Sports Development Strategy, which is part of the 2022-204 Delivery Plan.
80	Provide internal and external opportunities for training and recruitment of Scottish Swimming Tutors	SDM		<u>Started but carried forward to 2022-24</u> Training and Recruitment will feature within the Sports Development Strategy.
Action: We will develop a Community Golf Development Plan to encourage participation school, community and club golf				
82	Develop a Golf Development Plan which sets a shared set of objectives, performance indicators and monitoring systems in relation to school, community and club golf	SDM		<u>Started but carried forward to 2022-24</u> This will form part of the Sports Development Strategy.
Action: We will develop a Sports Coaching Strategy that will identify the progression from grassroots activity to club participation for priority sports and will introduce foundation skills for priority sports, coach education and employment				
84	Establish a Coaching Development working group with all key stakeholders represented	SDM		<u>Carried forward to 2022-24</u> The ActiveEA group will become the platform for this to be established through a sub-group.

85	Develop a district wide sports coaching strategy which sets a shared set of objectives, performance indicators and monitoring systems in relation to all sports and activities	SDM		<u>Started but carried forward to 2022-24</u> The Trust's key sports will be Swimming, Gymnastics, Golf, Athletics, Multi Sports and Mini-Movers.
86	Develop a subsidised coach education programme with integrated volunteer hours	SDM		<u>Carried forward to 2022-24</u>
87	Introduce a coaching programme with 3 annual blocks for each priority sport	SDM		<u>Partially completed, carried forward to 2022-24</u>
88	Develop a partnership with each club associated with priority sport	SDM		<u>Partially completed, carried forward to 2022-24</u>
Action: We will develop a plan for Outdoor Learning that introduces young people to outdoor, experiential learning				
91	Participate annually in Playday	LDM		Event did not take place due to Covid-19 restrictions
Action: We will develop a Recreation Plan for East Ayrshire which will promote walking, cycling and other outdoor pursuits throughout East Ayrshire				
Actions Complete				
Action: We will continue to attract local and national sporting events to our community sporting events				
Actions Complete				
Action: We will continue to work on an innovative programme to raise the profile of the Grand Hall as a regional and national venue for large scale music events and programmes				
97	Organise at least 2 large scale events annually	C&PDM		In November 2021 the Grand Hall played host to Dr Hook and December had Abbamania and The Drifters. Jazz musician Curtis Stigers played in 17 March 2022
98	Represent East Ayrshire Leisure at relevant trade fairs and conferences	C&PDM		DM continues to represent EAL at online forums
Action: We will continue work with Imagine Theatre on a collaborative approach to Pantomime production				
99	Formalise a co-production plan with Imagine Theatre for 2020-22	C&PDM		Contract in place for 2021 but 2022 still be be addressed
100	Present an annual pantomime performance including: 2020: Aladdin, 2021: Snow White, 2022: Peter Pan (tbc)	C&PDM		Aladdin 2021 went ahead but run had to be shorten by 2 weeks at the beginning due to non attendance of schools and for 1 week post Xmas due to change of Covid regulations make this unviable

101	Increase income by 3% and reduce subsidy by 3% by the end of the plan period using 2019 as a baseline	C&PDM		Increased income will not be achievable due to Covid-19
102	Organise annual pantomime educational workshop	C&PDM		No Pantomime workshops due to Covid-19
Action: To host Illuminight with Lidl at Dean Castle Country Park for the 4th year				
103	Increase in attendances by 10% with 2019 as baseline	LDM		
104	Increase in profit by 3% with 2019 as baseline	LDM		
105	3 sponsors engaged in event	LDM		
106	£10k external funds to enhance creative	LDM		
107	10 student placements	LDM		
108	10 volunteers	LDM		
Action: We will enhance and develop our annual running programme that introduces people to running, provides a progressive pathway and attracts national competitors to East Ayrshire				
Actions Complete				
Action: We will encourage community participation in fitness through the introduction of a GP Referral Scheme and a programme of fitness classes and activities				
118	Organise 4 'come and try' fitness open days at each community sports facility each year	SDM		<u>Not achievable in 2020-22</u> Due to COVID restrictions these have been unable to be organised, once restrictions ease further we will look to organise. This output will not be delivered as part of the 2020-22 Delivery Plan
120	Develop a partnership with Kilmarnock Leisure Centre Trust to jointly promote and develop fitness activities	SDM		<u>Not achievable in 2020-22</u> Kilmarnock Leisure Centre Trust and East Ayrshire Leisure Trust are focusing on recovery from covid19 pandemic. Collaboration and partnership working will be considered when both organisations have fully reactivated. This output will not be delivered as part of the 2020-22 Delivery Plan
122	Introduce Personal Training sessions to 5 community sports venues	SDM		<u>Carried forward to 2022-24</u>

Action: We will provide experiential learning opportunities for young people through our Treehouse Residential Centre

124	Treehouse: Promote the services offered through the residential centre to East Ayrshire Headteachers	LDM		Confirmed booking from Dalrymple PS, scheduled for May 2022.
125	Treehouse: Work with community groups to raise the profile of the residential centre	LDM		Activities programme and catering options updated and promotional material prepared for promotion with schools and uniform groups.
126	Treehouse: Organise 5 week long residential, experiential programmes each year	LDM		As part of the reactivation plan we have successfully recruited 3 new Bank Customer Experience Assistants to work within the Centre.

 - No Progress
  - Some Progress
  - Complete

INVESTING IN OUR PEOPLE & EMBRACING OUR VALUES

Delivery Plan Output		Lead	Progress	Comments
Action: We will design and implement a People Strategy that will support and facilitate the delivery of operational objectives				
127	Development of an Equality and Diversity Statement	HCS		Partially complete and included within the Corporate Delivery Plan 2022-24
128	Implementation of an Organisational Development Framework	HCS		Included within the Corporate Delivery Plan 2022-24
Action: We will embed and develop our 'Exchange' programme in all forums and structures for communication				
Actions Complete				
Action: We will develop a Volunteer Strategy We will develop a Volunteer Strategy that will allow employees and the community to engage in volunteering opportunities				
139	Develop a Community Path Warden Scheme and recruit 3 volunteer path wardens each year	LDM		Further promotion of scheme presented at Kilmarnock and District Ramblers Association meeting. This proposal for the scheme will be <u>carried forward to 2022-24</u>
140	Develop and deliver a programme of mentoring and training	LDM		<u>Carried forward to 2022-24</u>
143	Develop a Volunteer Strategy which identifies opportunities for: Regular volunteer placements, Community volunteer events, School work experience, Modern apprenticeships, Employee volunteering days	LDM		<p>Volunteer Procedure Protocol developed and available to advise staff how to deal with any volunteer enquiry as well as how to take forward a volunteering opportunity including the advertisement of the position and application process. In addition the next steps for training, support and supervising volunteers have been outlined.</p> <p>Develop volunteering roles across all areas of the Trust will carry forward to 2022-24.</p>

Action: We will review our annual employee review process and develop a Review and Development Programme that ensures BEST practice across all of our service areas.

Actions Complete

Action: We will designate Trustees as ambassadors for key areas of the business

Actions Complete

 - No Progress  - Some Progress  - Complete

CREATING A SOLID FOUNDATION FOR GROWTH

Delivery Plan Output	Lead	Progress	Comments
Action: We will develop and maintain robust health and safety and risk management processes to ensure that our people and customers are in a safe environment			
Actions Complete			
Action: To review and continually improve and enhance our information technology infrastructure and operations and to embrace digital technology			
156	Develop stock and ordering system to streamline processes	HCS	 Partially complete and forms part of the Digital Transformation Action Plan
Action: We will review, develop and maintain robust financial processes to ensure financial sustainability of our organisation			
157	Design Financial Strategy	HCS	 Financial Strategy has been developed and presented to the Board in February 2022.
Action: We will carry out a review of income and expenditure across all cost centre and expenditure codes to streamline financial monitoring and reporting			
Actions Complete			
Action: We will review the existing Service Level Agreement with East Ayrshire Council to ensure high quality service delivery			
165	Revised Service Level Agreement for the period 2020 – 2025	CO	 Revised service level agreement will be in draft form by December 2021 and presented to Board in February 2022.
Action: We will develop partnerships and collaborative working arrangements with partners and key stakeholders			
Actions Complete			
166	Identify and explore all opportunities to promote full East Ayrshire Leisure offering	CO	
167	Establish a liaison group at shared sites to ensure cross service promotion and integrated working arrangements	CO	

Action: We will create a programme of internal and external review, analysing both customer and staff satisfaction levels, highlighting areas of success and identifying areas for development				
169	Mystery shopping carried out annually	R&BDM		Included within the Corporate Delivery Plan 2022-24 – linked to Output 17
170	Staff satisfaction surveys carried out every two years	R&BDM		Included within the Corporate Delivery Plan 2022-24
Action: We will identify areas for growth across all areas of the Trust with a focus on retail, hospitality, membership and other key business areas.				
173	Development of a Retail Strategy to identify opportunities across venues and organisational areas	HCS		Included within the Corporate Delivery Plan 2022-24
174	Development of a range of membership packages	HCS		Partially complete and included within the Corporate Delivery Plan 2022-24
175	Development of a Hospitality Plan which identifies opportunities for bars, cafes, vending and event catering	HCS		Continue to develop the hospitality offer in conjunction with our programme. Work is underway developing a revised offer for reactivation of bars and improved vending offer. Partially complete, included within the Corporate Delivery Plan 2022-24
Action: We will create a robust performance framework and systems which will support all staff to successfully implement delivery planning priorities and improve workplace performance				
182	Design and implement key quality indicators in order to measure the quality of our performance	HCS		Partially complete, included within the Corporate Delivery Plan 2022-24
183	Review, measure, monitor and report upon key performance indicators	HCS		Partially complete, included within the Corporate Delivery Plan 2022-24



PROTECTING OUR ENVIRONMENT

Delivery Plan Output	Lead	Progress	Comments
Action: We will publish an annual Climate Change Declaration that outlines our carbon footprint and our priorities for carbon reduction			
186	Report on annual carbon use by April of each year	P&EDM	 <u>Carried forward to 2022-24</u>
187	Develop an annual action plan to identify measures to reduce carbon use and improve environmental efficiency.	P&EDM	 <u>Carried forward to 2022-24</u>
Action: We will participate in the VisitScotland Green Business Scheme to reduce the impact our organisation has on the environment			
188	Organise a liaison meeting with VisitScotland to identify key actions for inclusion within the Green Business Scheme	P&EDM	 <u>Carried forward to 2022-24</u>
189	Develop an action plan to adopt the principles of the Green Business Scheme	P&EDM	 <u>Carried forward to 2022-24</u>
190	Apply for accreditation within the scheme	P&EDM	 <u>Carried forward to 2022-24</u>
191	Apply for Green Business Accreditation	P&EDM	 <u>Carried forward to 2022-24</u>
Action: We will develop an organisational wide Sustainable Transport Strategy and embed the principles of Active and Sustainable Travel throughout our organisation, projects and programmes			
192	Establish a working group and agree a set of objectives and actions for the development of the strategy	P&EDM	 <u>Carried forward to 2022-24</u>
193	Develop a Sustainable Transport Strategy which includes priorities for active travel including travel to work and travel for work, as well as opportunities for customers to access our facilities using sustainable transport choices	P&EDM	 <u>Carried forward to 2022-24</u>
194	Carry out a programme of staff awareness sessions	P&EDM	 <u>Carried forward to 2022-24</u>
195	Reduce staff mileage by 5%	P&EDM	 Complete

KEY UPDATES

Insurance Claims

The following information provides an update on the number of live claims in progress during the period January – March 2022:-

Public Liability	3 claims ongoing
Employers' Liability	1 claim closed
Motor Claim	n/a

Gifts & Hospitality

No gifts or hospitality were received during this period.

Customer Complaints

During the January – March 2022 period 185 comments were received and logged by the Marketing & Development Team; 9 of these were complaints, and were categorised as follows:

Category	No Received	Stage 1 / 2	Status
Equipment/Resources	2	1	Responses provided
Events/Activities/Classes	2	1	Responses provided
Online payments/bookings/box office	1	1	Response provided
Other:			
• Ayrshire Athletics Arena – gates	1	1	Telephone calls and left voice message, but never received any call back or further information.
• General Sports – COVID restrictions	1	1	Email sent asking what venue it referred to, but never received a response back
• McIlvanney Campus – no access	1	1	Response provided
• Rose Reilly Sports Centre - ball in garden	1	1	Response provided

Positive Comments

We received 32 positive comments during the period, some examples are shown below:

- Well done to everyone involved @EALeisure in bringing Grayson Perry Exhibition to Killie.
- Lovely to hear. I had one of the best hot chocolates there last week. (In relation to DI Café partnership with Mossiel Farm)
- Google Review 5* DCCP - Lovely place for walking, scenery plus nice cafe which is spotlessly clean.
- I would like to thank xxxx at the Hunter Centre for his continued support and dedicated service to the centre. Always keen to help out in any way.
- Just a quick note to extend my thanks to all staff involved today in making our granddaughter's first birthday party a great experience. The caretakers were fantastic. Thank you so much. (Darvel Town Hall)



FINANCIAL PERFORMANCE TO 31.03.22



FINANCIAL PERFORMANCE KEY:

ADVERSE:		FAVOURABLE:	
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Notes:

All financial figures are cumulative to the current quarter and project to the end of the financial year, i.e Qtr 3 shows the actual amounts for Qtr 1 - 3, combined with projections up to the end of March 2022.

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

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



PERFORMANCE & AUDIT SUB COMMITTEE

2021/22 East Ayrshire Leisure budget

As at 31st March 2022 – Quarter 4 – Period 12

The actual outturn for East Ayrshire Leisure at 31st March 2022 is a favourable position of £455,644 which will be reduced to £132,014 following designation of items below totalling £323,630. This position has been achieved due to substantial external funding (£246k) which the Trust has successfully obtained this financial year.

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

Items for Designation	
CTH Lighting Desk - cost £12,600 less 21/22 depn £2,520 = £10,050	10,050
Spin Bikes - RRSC	34,635
RAW Signage (partially funded by SAC - SAC funds received 21/22 but deferred to 22/23)	8,730
Sport Equipment & Repairs	4,335
Secure Portal Upgrade	4,880
DCCP Canopy - additional works (incl replacement furniture)	14,500
People Counters	3,000
Increase in Retained Reserves	20,000
Venue Equipment	3,000
Box Office/Booking System	12,000
Valuations	4,000
Ebooks	4,500
Equipment Replacement Programme	200,000
TOTAL	£323,630

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

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

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

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

ANNUAL BUDGET

Table below provides detail of Annual Budget showing the impact of 2021/22 savings approved at 23rd February 2021 Board.

Service Division	Annual Budget 2021/22	Annual Budget 2021/22 Qtr 1	Annual Budget 2021/22 Qtr 2	Annual Budget 2021/22 Qtr 3	Annual Budget 2021/22 Qtr 4
EXECUTIVE MANAGEMENT	1,287,410	1,274,150	1,269,180	1,185,790	1,446,230
CULTURAL DEVELOPMENT	1,451,970	1,445,990	1,449,920	1,490,660	1,494,710
COMMUNITY & PERFORMING ARTS DEVELOPMENT	418,150	402,820	407,180	425,390	444,710
LEISURE DEVELOPMENT	652,640	610,950	610,950	633,350	648,660
SPORTS DEVELOPMENT	630,770	594,520	611,270	671,690	750,690
PROPERTY & ESTATES DEVELOPMENT	193,800	195,370	195,370	199,430	199,430
SAVINGS TO BE ALLOCATED	(2,880)				
TOTAL	4,634,740	4,523,800	4,543,870	4,606,310	4,984,430
Management Fee	(4,634,740)	(4,523,800)	(4,530,190)	(4,583,930)	(4,966,120)
Reserves	0	0	(13,680)	(22,380)	(18,310)
TOTAL	0	0	0	0	0

Venues Allocated to Sport Areas:-

Community Sports Area 1	Grange Leisure Centre, St Josephs Leisure Centre, William McIlvanney Campus, Stewarton Sports Centre, Ayrshire Athletics Arena, Scott Ellis Pavilion
Community Sports Area 2	Auchinleck Leisure Centre, Doon Valley Leisure Centre, Loudoun Leisure Centre, Hunter Fitness Suite, Barony Campus, Annanhill Golf Course
Sports Temporary Facilities	Venues temporarily held by EALT, operating under management arrangements with community groups, funded by EAC



Notes:

Tables A and B present financial information in different formats:

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

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

For all tables

Columns 1 and 2 refer to information for prior year; 1st column provides prior year information for same period and the 2nd column provides final position for full prior year

Column 3 refers to the Service Areas

Column 4 provides the Annual Budget – this reconciles to the Annual Budget table above

Column 5 provides the Actuals to date (including commitments)

Column 6 provides Actual Expenditure as a % of Annual Budget

Column 7 provides anticipated projected position for end of financial year

Column 8 provides anticipated projected variance for current financial year – (Favourable)/Adverse)

Final column provides quick review of favourable/adverse position

TABLE A – OVERALL NET POSITION

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	Service Division	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse	
1,535,894	1,535,894	EXECUTIVE MANAGEMENT	1,446,230	1,271,227	88%	1,271,227	(175,003)	
1,141,275	1,141,275	Corporate Services	1,094,940	927,465	85%	927,465	(167,475)	
326,915	326,915	Relationship & Business Development	399,210	332,586	83%	332,586	(66,624)	
67,704	67,704	Hospitality Development	(47,920)	11,177	-23%	11,177	59,097	
1,341,352	1,341,352	CULTURAL DEVELOPMENT	1,494,710	1,459,442	98%	1,459,442	(35,268)	
267,477	267,477	Cultural Development	283,050	280,864	99%	280,864	(2,186)	
99,890	99,890	Collection Care	106,090	121,783	115%	121,783	15,693	
27,424	27,424	Visual Arts Development	38,480	31,623	82%	31,623	(6,857)	
108,332	108,332	Museums Development	122,530	124,510	102%	124,510	1,980	
838,229	838,229	Libraries	944,560	900,661	95%	900,661	(43,899)	
616,339	616,339	COMMUNITY & PERFORMING ARTS DEVELOPMENT	444,710	480,694	108%	480,694	35,984	
295,326	295,326	Performing Arts Development	233,290	206,584	89%	206,584	(26,706)	
303,399	303,399	Community Development	229,820	269,971	117%	269,971	40,151	
17,614	17,614	Community Lettings & Co-Managed Centres - Lets	(18,400)	4,139	-22%	4,139	22,539	
645,901	645,901	LEISURE DEVELOPMENT	648,660	566,145	87%	566,145	(82,515)	
155,475	155,475	Leisure Development	159,490	111,316	70%	111,316	(48,174)	
455,335	455,335	Countryside & Visitors Development	443,240	406,336	92%	406,336	(36,904)	
35,369	35,369	Green Infrastructure Development	45,930	48,292	105%	48,292	2,362	
(278)	(278)	Volunteer Development	0	201		201	201	
1,339,265	1,339,265	SPORTS DEVELOPMENT	750,690	817,724	109%	817,724	67,034	
237,819	237,819	Sports Development Team	264,000	193,956	73%	193,956	(70,044)	
440,555	440,555	Community Sports Area 1	71,170	200,210	281%	200,210	129,040	
642,071	642,071	Community Sports Area 2	382,730	397,989	104%	397,989	15,259	
8,416	8,416	Temporary Facilities	9,380	9,576	102%	9,576	196	
10,404	10,404	Football Venues	23,410	15,992	68%	15,992	(7,418)	
174,754	174,754	PROPERTY & ESTATES DEVELOPMENT	199,430	177,918	89%	177,918	(21,512)	
5,653,506	5,653,506	TOTAL	4,984,430	4,773,150	96%	4,773,150	(211,280)	
(4,857,569)	(4,857,569)	Management Fee	(4,966,120)	(4,966,113)	100%	(4,966,113)	7	
795,937	795,937	TOTAL	18,310	(192,963)		(192,963)	(211,273)	
(9,510)	(9,510)	Trs From Reserves	(18,310)	(18,305)	100%	(18,305)	5	
786,427	786,427	TOTAL (after transfer from reserves)	0	(211,268)		(211,268)	(211,268)	
(1,296,866)	(1,296,866)	External Funding	0	(244,377)		(244,377)	(244,377)	
(510,439)	(510,439)	TOTAL (after external funding)	0	(455,644)	0	(455,644)	(455,644)	

TABLE B – OVERALL NET POSITION

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	Service Division	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse	
(506,021)	(506,021)	Income From Charitable Activities	(2,272,760)	(1,576,461)	69%	(1,576,461)	696,299	
(4,857,569)	(4,857,569)	Management Fee	(4,966,120)	(4,966,113)	100%	(4,966,113)	7	
(1,296,866)	(1,296,866)	External Funding	0	(244,377)		(244,377)	(244,377)	
(6,660,456)	(6,660,456)	TOTAL INCOME	(7,238,880)	(6,786,951)	94%	(6,786,951)	451,929	
4,535,999	4,535,999	Employee Costs	5,269,310	4,715,489	89%	4,715,489	(553,821)	
39,012	39,012	Transport Costs	38,540	40,318	105%	40,318	1,778	
483,462	483,462	Premises Costs	572,660	546,910	96%	546,910	(25,750)	
844,823	844,823	Supplies & Services	1,055,820	757,089	72%	757,089	(298,731)	
12,880	12,880	Financing Costs	5,840	8,360		8,360	2,520	
187,400	187,400	Support Costs	187,400	187,400		187,400	0	
55,950	55,950	Governance Costs	127,620	94,045	74%	94,045	(33,575)	
6,159,527	6,159,527	TOTAL RESOURCES EXPENDED	7,257,190	6,349,611	87%	6,349,611	(907,579)	
(500,929)	(500,929)	NET POSITION	18,310	(437,339)		(437,339)	(455,649)	
(9,510)	(9,510)	Trs From Reserves	(18,310)	(18,305)	100%	(18,305)	5	
(510,439)	(510,439)	TOTAL (after transfer from reserves)	0	(455,644)		(455,644)	(455,644)	



Notes

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

EXECUTIVE MANAGEMENT

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	EXECUTIVE MANAGEMENT	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse
1,141,275	1,141,275	Corporate Services	1,094,940	927,465	85%	927,465	(167,475)
326,915	326,915	Relationship & Business Development	399,210	332,586	83%	332,586	(66,624)
67,704	67,704	Hospitality Development	(47,920)	11,177	-23%	11,177	59,097
(1,296,866)	(1,296,866)	External Funding	0	(244,377)		(244,377)	(244,377)
(4,857,569)	(4,857,569)	Management Fee	(4,966,120)	(4,966,113)	100%	(4,966,113)	7
(470)	(470)	Trs From Reserves	(4,220)	(4,220)		(4,220)	0
(4,619,011)	(4,619,011)	TOTAL OBJECTIVE ANALYSIS	(3,524,110)	(3,943,482)	112%	(3,943,482)	(419,372)
(186,154)	(186,154)	Income From Charitable Activities	(360,040)	(233,277)	65%	(233,277)	126,763
(4,857,569)	(4,857,569)	Management Fee	(4,966,120)	(4,966,113)	100%	(4,966,113)	7
(1,296,866)	(1,296,866)	External funding	0	(244,377)		(244,377)	(244,377)
(6,340,589)	(6,340,589)	TOTAL INCOME	(5,326,160)	(5,443,767)	102%	(5,443,767)	(117,607)
1,030,393	1,030,393	Employee Costs	1,218,540	1,055,148	87%	1,055,148	(163,392)
0	0	Transport Costs	0	0		0	0
3,095	3,095	Premises Costs	2,680	5,545	207%	5,545	2,865
478,805	478,805	Supplies & Services	361,550	226,072	63%	226,072	(135,478)
0	0	Financing Costs	0	0		0	0
187,400	187,400	Support Costs	187,400	187,400		187,400	0
22,355	22,355	Governance Costs	36,100	30,340	84%	30,340	(5,760)
1,722,048	1,722,048	TOTAL RESOURCES EXPENDED	1,806,270	1,504,505	83%	1,504,505	(301,765)
(4,618,541)	(4,618,541)	NET POSITION	(3,519,890)	(3,939,262)	112%	(3,939,262)	(419,372)
(470)	(470)	Trs From Reserves	(4,220)	(4,220)		(4,220)	0
(4,619,011)	(4,619,011)	TOTAL (after transfer from reserves)	(3,524,110)	(3,943,482)	112%	(3,943,482)	(419,372)

Comments

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

Corporate Services

Favourable variance relates mainly to vacancies which have not be filled in financial year 2021-22 and additional income generation from NHS relating to support of Testing and Vaccination Programme.

Relationship & Business Development

Savings from reduced service provision during this period.

Hospitality

Reduction in Hospitality Income due to closure of venues and postponement of events offset by savings from reduced hospitality provision during facilities closures.

CULTURAL DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	CULTURAL DEVELOPMENT	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse
267,477	267,477	Cultural Development	283,050	280,864	99%	280,864	(2,186)
99,890	99,890	Collection Care	106,090	121,783	115%	121,783	15,693
27,424	27,424	Visual Arts Development	38,480	31,623	82%	31,623	(6,857)
108,332	108,332	Museums Development	122,530	124,510	102%	124,510	1,980
838,229	838,229	Libraries	944,560	900,661	95%	900,661	(43,899)
(1,720)	(1,720)	Trs From Reserves	(3,770)	(3,765)	100%	(3,765)	5
1,339,632	1,339,632	TOTAL OBJECTIVE ANALYSIS	1,490,940	1,455,677	98%	1,455,677	(35,263)
(61,548)	(61,548)	Income From Charitable Activities	(90,500)	(69,619)	77%	(69,619)	20,881
(61,548)	(61,548)	TOTAL INCOME	(90,500)	(69,619)	77%	(69,619)	20,881
1,069,957	1,069,957	Employee Costs	1,179,450	1,156,810	98%	1,156,810	(22,640)
7,744	7,744	Transport Costs	11,980	12,059	101%	12,059	79
134,804	134,804	Premises Costs	139,340	142,900	103%	142,900	3,560
181,742	181,742	Supplies & Services	237,950	209,950	88%	209,950	(28,000)
5,560	5,560	Financing Costs	0	0		0	0
0	0	Support Costs	0	0		0	0
3,093	3,093	Governance Costs	16,490	7,341	45%	7,341	(9,149)
1,402,900	1,402,900	TOTAL RESOURCES EXPENDED	1,585,210	1,529,060	96%	1,529,060	(56,150)
1,341,352	1,341,352	NET POSITION	1,494,710	1,459,442	98%	1,459,442	(35,268)
(1,720)	(1,720)	Trs From Reserves	(3,770)	(3,765)	100%	(3,765)	5
1,339,632	1,339,632	TOTAL (after transfer from reserves)	1,490,940	1,455,677	98%	1,455,677	(35,263)

Comments

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

Cultural Development - Overall

£21k income shortfall due to covid restrictions having an impact on planned library events and cultural exhibitions and the introduction of cashless processes across venues. This has been funded from £56.1k in savings predominantly from vacancies not being filled to offset the income shortfall.

COMMUNITY & PERFORMING ARTS DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	COMMUNITY & PERFORMING ARTS DEVELOPMENT	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse
295,326	295,326	Performing Arts Development	233,290	206,584	89%	206,584	(26,706)
303,399	303,399	Community Development	229,820	269,971	117%	269,971	40,151
17,614	17,614	Community Lettings & Co-Managed Centres - Lets	(18,400)	4,139	-22%	4,139	22,539
0	0	Trs From Reserves	(1,850)	(1,850)		(1,850)	0
616,339	616,339	TOTAL OBJECTIVE ANALYSIS	442,860	478,844	108%	478,844	35,984
(26,452)	(26,452)	Income From Charitable Activities	(628,340)	(353,388)	56%	(353,388)	274,952
(26,452)	(26,452)	TOTAL INCOME	(628,340)	(353,388)	56%	(353,388)	274,952
436,390	436,390	Employee Costs	524,030	424,329	81%	424,329	(99,701)
0	0	Transport Costs	0	0		0	0
176,694	176,694	Premises Costs	226,370	204,333	90%	204,333	(22,037)
26,624	26,624	Supplies & Services	274,300	169,835	62%	169,835	(104,465)
0	0	Financing Costs	1,850	4,370		4,370	2,520
0	0	Support Costs	0	0		0	0
3,083	3,083	Governance Costs	46,500	31,214	67%	31,214	(15,286)
642,791	642,791	TOTAL RESOURCES EXPENDED	1,073,050	834,082	78%	834,082	(238,968)
616,339	616,339	NET POSITION	444,710	480,694	108%	480,694	35,984
0	0	Trs From Reserves	(1,850)	(1,850)		(1,850)	0
616,339	616,339	TOTAL (after transfer from reserves)	442,860	478,844	108%	478,844	35,984

Comments

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

Community & Performing Arts Development - Overall

£275k income shortfall due to closure of venues and Grand Hall being used by NHS until August. These shortfalls have been offset by £239k in savings predominantly from vacancies not being filled and bank staffing budgets not being required due to restrictions in addition to £139.3k projected in savings across the rest of expenditure.

LEISURE DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	LEISURE DEVELOPMENT	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse
155,475	155,475	Leisure Development	159,490	111,316	70%	111,316	(48,174)
455,335	455,335	Countryside & Visitors Development	443,240	406,336	92%	406,336	(36,904)
35,369	35,369	Green Infrastructure Development	45,930	48,292	105%	48,292	2,362
(278)	(278)	Volunteer Development	0	201		201	201
0	0	Trs From Reserves	(6,010)	(6,010)		(6,010)	0
645,901	645,901	TOTAL OBJECTIVE ANALYSIS	642,650	560,135	87%	560,135	(82,515)
(16,450)	(16,450)	Income From Charitable Activities	(56,340)	(21,366)	38%	(21,366)	34,974
(16,450)	(16,450)	TOTAL INCOME	(56,340)	(21,366)	38%	(21,366)	34,974
516,341	516,341	Employee Costs	581,380	474,874	82%	474,874	(106,506)
17,267	17,267	Transport Costs	19,930	17,220	86%	17,220	(2,710)
55,410	55,410	Premises Costs	50,510	53,918	107%	53,918	3,408
69,752	69,752	Supplies & Services	34,270	30,070	88%	30,070	(4,200)
0	0	Financing Costs	2,010	2,010		2,010	0
0	0	Support Costs	0	0		0	0
3,582	3,582	Governance Costs	16,900	9,419	56%	9,419	(7,481)
662,351	662,351	TOTAL RESOURCES EXPENDED	705,000	587,512	83%	587,512	(117,488)
645,901	645,901	NET POSITION	648,660	566,145	87%	566,145	(82,515)
0	0	Trs From Reserves	(6,010)	(6,010)		(6,010)	0
645,901	645,901	TOTAL (after transfer from reserves)	642,650	560,135	87%	560,135	(82,515)

Comments

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

Leisure Development - Overall

£35k income shortfall due to events being scaled back or postponement due to Covid restrictions. Furthermore, no income in the current financial year from the residential centre, however we are optimistic that bookings for next financial year will materialise. A marketing campaign has been developed to raise the profile of the Residential Centre with schools and uniform groups. This income shortfall has been offset by £117.5k in expenditure savings relating predominantly to vacancies not being filled.

SPORTS DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	SPORTS DEVELOPMENT	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse
237,819	237,819	Sports Development Team	264,000	193,956	73%	193,956	(70,044)
440,555	440,555	Community Sports Area 1	71,170	200,210	281%	200,210	129,040
642,071	642,071	Community Sports Area 2	382,730	397,989	104%	397,989	15,259
8,416	8,416	Temporary Facilities	9,380	9,576	102%	9,576	196
10,404	10,404	Football Venues	23,410	15,992	68%	15,992	(7,418)
(7,320)	(7,320)	Trs From Reserves	(2,460)	(2,460)		(2,460)	0
1,331,945	1,331,945	TOTAL OBJECTIVE ANALYSIS	748,230	815,264	109%	815,264	67,034
(215,417)	(215,417)	Income From Charitable Activities	(1,137,540)	(898,810)	79%	(898,810)	238,730
(215,417)	(215,417)	TOTAL INCOME	(1,137,540)	(898,810)	79%	(898,810)	238,730
1,323,160	1,323,160	Employee Costs	1,583,370	1,437,221	91%	1,437,221	(146,149)
12,675	12,675	Transport Costs	3,880	10,291	265%	10,291	6,411
110,465	110,465	Premises Costs	150,760	137,217	91%	137,217	(13,543)
77,225	77,225	Supplies & Services	136,610	114,095	84%	114,095	(22,515)
7,320	7,320	Financing Costs	1,980	1,980		1,980	0
0	0	Support Costs	0	0		0	0
23,838	23,838	Governance Costs	11,630	15,731	135%	15,731	4,101
1,554,682	1,554,682	TOTAL RESOURCES EXPENDED	1,888,230	1,716,534	91%	1,716,534	(171,696)
1,339,265	1,339,265	NET POSITION	750,690	817,724	109%	817,724	67,034
(7,320)	(7,320)	Trs From Reserves	(2,460)	(2,460)		(2,460)	0
1,331,945	1,331,945	TOTAL (after transfer from reserves)	748,230	815,264	109%	815,264	67,034

Comments

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

Income

£238.7k income shortfall due predominantly to the reasons noted below. Income moved favourably by £127.3k since Qtr 3 projection - performed better than had anticipated after the festive period.

- Community spaces and indoor sports hall hire not being fully utilised due to restrictions, limited return of local clubs and community organisations.
- High level of membership cancellations during lockdown - Fitness Membership structure has been reviewed resulting in the categories being stream lined and pricing reduced to support communities back into physical activity.
- Limited sports coaching due to the restrictions has made it difficult to fully develop a sustainable sports coaching programme at present. Kids activities sessions have recently resumed.
- Restrictions impacting on our capacity and ability to take the same level of SGP bookings.
- Learn to swim programme has resumed but we are still unable to welcome back all levels of ability due to a lack of qualified staff.
- Parties have restarted but limited to 1 per day.
- Limited capacity within the gym and classes due to the current restrictions combined with a reduced membership rate has had a detrimental impact on our PAYG offer and users.
- Restrictions on sports equipment hire has affected the income target attached to the hire of the golf boards.
- Limited return of aquatic clubs has also adversely affected public swim sessions and pool hire bookings.

Expenditure

Income shortfall offset against £146k staffing savings in year due to not being able to fill all vacancies and high staff turnover within the year. £25k savings across other expenditure due to lower water costs, equipment purchases and servicing and subsequent repair work scheduled for the year not being completed in time and PRS being much lower than anticipated due to closure times and credits received for the prior year.

PROPERTY & ESTATES DEVELOPMENT SERVICE ANALYSIS

Revised Actual Exp. to 31/3/21	Actual Out-turn to 31/03/21	PROPERTY & ESTATES DEVELOPMENT	Annual Estimate 2021/22	Revised Actual Exp. to 31/3/22	Actual Exp as % of Annual Estimate	Actual Out-turn to 31/03/22	Variance (Favourable) / Adverse
174,754	174,754	Property & Estates Development	199,430	177,918	89%	177,918	(21,512)
0	0	Trs From Reserves	0	0		0	0
174,754	174,754	TOTAL OBJECTIVE ANALYSIS	199,430	177,918	89%	177,918	(21,512)
0	0	Income From Charitable Activities	0	0		0	0
0	0	TOTAL INCOME	0	0		0	0
159,758	159,758	Employee Costs	182,540	167,107	92%	167,107	(15,433)
1,327	1,327	Transport Costs	2,750	748	27%	748	(2,002)
2,995	2,995	Premises Costs	3,000	2,997	100%	2,997	(3)
10,674	10,674	Supplies & Services	11,140	7,067	63%	7,067	(4,073)
0	0	Financing Costs	0	0		0	0
0	0	Support Costs	0	0		0	0
0	0	Governance Costs	0	0		0	0
174,754	174,754	TOTAL RESOURCES EXPENDED	199,430	177,918	89%	177,918	(21,512)
174,754	174,754	NET POSITION	199,430	177,918	89%	177,918	(21,512)
0	0	Trs From Reserves	0	0		0	0
174,754	174,754	TOTAL (after transfer from reserves)	199,430	177,918	89%	177,918	(21,512)

Comments

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

Expenditure

£15.4k employee cost savings due to a vacancy within the Service which has now been filled.



Notes

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

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

Line 1 Retained Reserves refers to our Reserves Policy – currently set to “minimum 2% of Turnover”. In June 2021, The Board allocated a further £110k to Retained Reserves to bring Reserves up to £250k, which equates to approx a payroll.

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

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

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

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

RESERVES AS AT 31 MARCH 2022

Summary

UNRESTRICTED RESERVES	2020/21 b/f	2020/21 SURPLUS	BALANCE 31 March 2021	APPROVED ALLOCATIONS	REVISED BALANCE	PROPOSED DRAWDOWN	Q1	Q2	Q3	Q4	BALANCE	NOTES
RETAINED RESERVES	140,000		140,000	110,000	250,000						250,000	
UNUSEABLE RESERVES				27,380	27,380		0	0	0	5,840	21,540	
UNALLOCATED RESERVES		510,439	510,439	-130,750	379,689						379,689	
ALLOCATED RESERVES	10,000		10,000	10,840	20,840		3,765	0	8,700	0	8,375	see Allocated Table
MGTR FUNDS	39,670		39,670		39,670		(28,033)				67,703	
FIXED ASSET RESERVE	34,920		34,920		34,920						34,920	
HOLIDAY PAY PROVISION	(60,874)		(60,874)		(60,874)						(60,874)	
TOTAL UNRESTRICTED RESERVES	163,716	510,439	674,156	17,470	691,625	0	(24,268)	0	8,700	5,840	701,353	

Allocated Reserves Analysis

ALLOCATED RESERVES	2020/21 b/f	2020/21 SURPLUS	BALANCE 31 March 2021	APPROVED ALLOCATIONS	REVISED BALANCE	Q1	Q2	Q3	Q4	BALANCE	APPROVAL	STATUS	NOTES
Dower House Upgrades	10,000		10,000	-10,000	0					0	4 June 2019 Board, 1 June 2021	Complete	Redesignate as Unallocated Reserves
IT Equipment - Corporate Services, P&E			0	6,000	6,000			3,200		2,800	1 June 2021 Board	Ongoing	
Cultural - Additional Totem Signage at DI			0	3,765	3,765	3,765				0	1 June 2021 Board	Complete	
P&E - RAW Equipment			0	4,000	4,000			4,000		0	1 June 2021 Board	Complete	
Libraries - Lorensbergs Netloan Upgrade			0	1,600	1,600					1,600	1 June 2021 Board	Ongoing	
Box Office/Booking System			0	5,475	5,475			1,500		3,975	1 June 2021 Board	Ongoing	
TOTAL ALLOCATED RESERVES	10,000	0	10,000	10,840	20,840	3,765	0	8,700	0	8,375			



Notes:

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

The table gives an overview of the projects and the Additional Information gives a brief description of each of the projects.

GENERAL PROJECTS

Project	Partners	Balance b/f 01.04.21	Balance at 31.03.22	Expected Completion Date
Ayrshire Libraries Forum	North Ayrshire Council/South Ayrshire Council/East Ayrshire Council	(£4,015)	(£3,909)	Ongoing
Burns Birthday in Mauchline	Event Scotland	(£861)	(£861)	Ongoing
Kilmarnock Green Infrastructure	Sustrans	(£14,955)	(£14,955)	Ongoing
Digital Storyteller in Residence	Scottish Book Trust	(£2,416)	(£2,372)	Ongoing
Irvine Valley Trails 2019 onwards	LCTT, Transport Scotland, EAC Renewable Energy Fund	(£24,258)	£160,950	Ongoing
Dean Castle Event		£0	(£5,000)	Ongoing
SHOUT	EAC	(£5,000)	(£5,000)	Ongoing
Wifi Project	EAC	(£20,000)	(£19,700)	Ongoing
DCCP Parks for People (Jul 20-Mar 21)	HLF/EAC	(£15,500)	(£6,773)	Jun 2022
Grayson Perry	EALT	(£22,005)	(£6,686)	May 2022
Foster Carer Service - Memberships	EAC	(£4,000)	(£4,000)	Ongoing
Youth Memberships	EAC	£0	(£2,432)	Ongoing
Annick Valley Leisure Facilities	EAC	£0	(£199,029)	Ongoing
Patna Leisure Facilities	EAC	£0	(£810)	Ongoing
FutureMuseum.co.uk Redevelopment	Museum Gallery Scotland	£0	(£15,750)	Aug 2023
Seedscares: Future Proofing Nature	Creative Scotland	£0	(£3,574)	May 2022
Leisure at the Heart of All Communities	UK Government	£0	£34,345	Jun 2022
Fruit and Nut Tree Woodland	EAC	£0	£13,114	Sep 2022
Sharing Stories	SLIC via Scottish Government	£0	(£8,965)	Dec 2022

Additional Information

Ayrshire Libraries Forum is a network partnership of the three Ayrshire councils, Ayrshire NHS, school, prison and higher education libraries to be used towards the upkeep of Ayrshire Working Lives website.

Burns Birthday in Mauchline – The project normally takes place on the last Saturday in January at Burns House Museum, Mauchline Parish Church Halls and Mauchline Kirkyard. The family event which is funded by EventScotland is free and includes lots of Burns related activity including visual art, puppet making, Kirkyard tours with our partners Mauchline Burns Club, curator talks and a very special performance by pupils of Mauchline Primary School. The event did not take place in 2021 due to EventScotland funding being withdrawn due to Covid 19 but the 2022 event should be going ahead.

Kilmarnock Green Infrastructure - The design and feasibility work has been completed for the Kilmarnock Green Infrastructure Project. £300k has been secured from Sustrans for further design work for a multi-million pound application later in the year. A Project Board, chaired by East Ayrshire Leisure, has been established to oversee the development and implementation of this 18 mile cycle route project for Kilmarnock made up of officers from East Ayrshire Leisure, East Ayrshire Council and Ayrshire Roads Alliance.

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

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

Dean Castle Event - 2 funding bids will be submitted for this event – the outcome for the first submission is due June 2022 and the second bid still to be done. £5k has been identified as match funding. The event as a focal point for the reopening of the Castle will provide a celebratory, collaborative and high profile occasion through our confirmed partnerships with key Scottish cultural heavyweights including The Cumnock Tryst headed up by one of the world's most important composers, Sir James MacMillan, Professor Alistair McDonald - Composer and Sound Artist (Royal Conservatoire of Scotland), Professor Kirsteen McCue - historian and musician (Glasgow University, Burns Scotland), and Colin Currie – world renowned percussionist. The project will take a wholly accessible, collaborative and engaging approach, working with local pupils to

develop a newly commissioned work which will feature at the centre of the event, and welcoming on the spot participation for visitors through a unique series of percussion sculptures, an entirely new collection of musical instruments created by a local artist blacksmith for this event.

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

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

DCCP Parks for People (Jul 20-Mar 21) – HLF have confirmed agreement that previously approved funding has been allocated to specific projects with an initial extension to May 2021. Given current restrictions HLF recognise a further extension may be necessary and have extended this to July 2021.

Grayson Perry – Our planned high profile exhibition for 2020/21 period ‘GRAYSON PERRY – The Vanity of Small Differences’ had to be postponed due to lockdown and travel restrictions. We are in communication with the lender to reorganise the exhibition for later in the year.

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

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

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

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

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

Seedscares: Future Proofing Nature - A successful bid for £13,524 was secured to make a body of new contemporary visual art work through an artist-led participatory programme with young people exploring art, activism and climate change in response to COP26 and to the SEEDSCAPES exhibition in the Dick Institute Main Gallery. In a mutual exchange of perspectives the work will reflect a unique moment in time considering nature, biodiversity and the environment. The work will be

presented through photography, exhibition and installation and will explore the vital interconnection between seeds, plants and human survival at this critical juncture in a world facing climate crisis and shaped by Covid.

Leisure at the Heart of All Communities – We have received funding through the UK Government's Community Renewal Fund for the Leisure at the Heart of All Communities project, which aims to bring physical activity, cultural, heritage and greenspace activities right to every community in East Ayrshire. The project will refurbish 4 buses to deliver programmes throughout East Ayrshire from March to August 2022.

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

Sharing Stories – This Project is supported by the Scottish Government Public Library COVID Recovery Fund and Scottish Library & Information Council. The primary aim of this project is to engage, build relationships with, and provide support for the many different groups within our communities who may have been adversely affected by the Covid-19 pandemic. Also to help rebuild our library service post-pandemic by enabling us to provide more and varied activities and purchase additional related resources, which will hopefully encourage people back through our doors and generate an upturn in usage and footfall – both of which have seen a steep decline as a direct result of Covid-19. We will be focusing on supporting children with learning disabilities, dementia sufferers, adults with low literacy levels and ESOL.



Notes:

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



EXTERNAL FUNDING (JANUARY – MARCH 2022)



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 2021/22
Cultural Development	Scottish Book Trust - Live Literature	£525	£525
Cultural Development	Creative Scotland - Covid 19 Cancellation Fund for Cultural Organisations	£104,764	£104,764
Cultural Development	Creative Scotland - Cultural Recovery Fund	£149,566	£0
Cultural Development	EAC - Morton Hall & Library	£30,000	£0
Leisure Development	EAC - Queen's Jubilee Event	£25,000	£0

EXTERNAL FUNDING DECLINED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
Leisure Development	SPT - KGIL Construction	£3,000,000	Application submitted too early in the funding cycle. Will be resubmitted for implementation in 2023.
Sports Development	SFA - Loudoun Pitch Replacement	£180,000	Overall score based on the criteria of the funding application was not high enough to be successful.
TOTAL		£3,180,000	



EXTERNAL FUNDING (APRIL 2021 – MARCH 2022)



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 2021/22
Cultural Development	Creative Scotland - Seascapes Future Proofing Nature	£13,524	£10,143
Cultural Development	Museums Galleries Scotland - FutureMuseum.co.uk Redevelopment	£47,000	£11,750
Cultural Development	Creative Scotland - Cultural Venues Recovery Fund Round 2	£65,000	£65,000
Cultural Development	SLIC - #StreamMyStory	£2,738	£2,738

Cultural Development	Scottish Book Trust - Book Week Scotland	£750	£750
Cultural Development	Museums Galleries Scotland - Climate and the Landscape	£4,500	£0
Sports Development	October Activity Programme	£10,000	£10,000
Sports Development	Youth Memberships	£5,000	£5,000
Cultural Development	SLIC via Scottish Government - Sharing Stories	£15,000	£10,500
EALT	UK Government - Leisure at the Heart of All Communities	£668,422	£13,154

Leisure Development	EAC - Fruit and Nut Tree Woodland	£25,000	£0
Cultural Development	Scottish Book Trust - Live Literature	£525	£525
Cultural Development	Creative Scotland - Covid 19 Cancellation Fund for Cultural Organisations	£104,764	£104,764
Cultural Development	Creative Scotland - Cultural Recovery Fund	£149,566	£0
Cultural Development	EAC - Morton Hall & Library	£30,000	£0
Leisure Development	EAC - Queen's Jubilee Event	£25,000	£0
TOTAL		£1,166,789	£234,324

Note 1

East Ayrshire Leisure registered for Coronavirus Job Retention Scheme (CJRS) and in 2021/22 received £74,612.54 (£1,123,600.82 was received 2020/21). The scheme continued until September 2021. Grants received were dependant on the number of staff on furlough which reduced as our services were reactivated.

EXTERNAL FUNDING DECLINED APPLICATIONS

Section	Name of Funding Provider and Project	Value of Funding/Support	Comments
Leisure Development	BBC Children in Need - Residential or Overnight stays	£21,960	Primarily unsuccessful as East Ayrshire Leisure manages and operates the Treehouse Residential Centre and funder would not be willing to fund notional costs associated with the hire of our own venue.
Property & Estates Development	NatureScot - Annanhill Biodiversity Project	£149,742	Highly competitive. Funder wanted to see greater links to other greenspaces in the area.
Community & Performing Arts Development	HLF - Palace Redevelopment	£4,600,000	Advised too high an application & more heritage focus required.
Cultural Development	Scottish Book Trust - Live Literature	£3,500	High demand and more detail required. Can reapply for next round of funding.
Cultural Development	SLIC - SLIC Award	£5,000	High demand on fund
Leisure Development	VisitScotland Rural Tourism Infrastructure Fund	£115,815	Application not considered a high priority for RTIF fund

Leisure Development	SPT - KGIL Construction	£3,000,000	Application submitted too early in the funding cycle. Will be resubmitted for implementation in 2023.
Sports Development	SFA - Loudoun Pitch Replacement	£180,000	Overall score based on the criteria of the funding application was not high enough to be successful.
TOTAL		£8,076,017	

Debt Identified for Write off

Bad and doubtful debts totalling £402.71 has been identified for write-off. Provision exists within the Annual Accounts for debt write-off and is currently valued at £22,568.52.

Reason for write-off are summarised below:-

Reason for Write-Off	No of Accounts	Amount
Debt is uneconomical to pursue	-	-
Poor recovery prospects	1	£ 402.71
Total	1	£ 402.71



PERFORMANCE SCORECARD



EALT PI Report

Generated on: 01 June 2022 13:41

Cannot group these rows by Theme

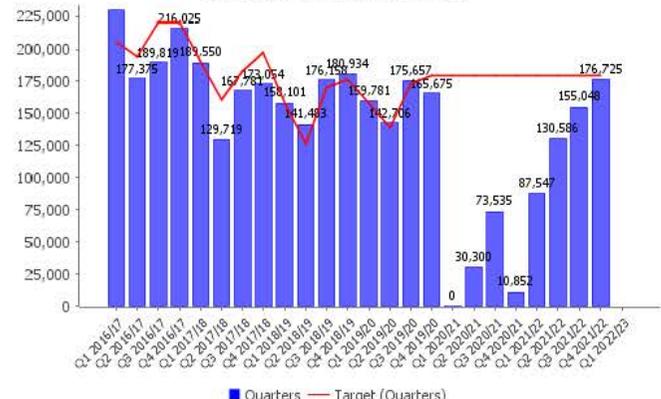
Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
EALT1 Average Days Lost per Employee	3.08	2	⬇️	⬇️	Absence during this period is predominantly due to long term absence. All staff are managed and supported in accordance with our Supporting Attendance at Work Policy.		🚫
EALT4 Culture	66,817	102,283	⬇️	⬆️	Performing Arts venues are now recovering well after the covid 19 closures. However, libraries, museums and community venues have shown a slower return to pre-covid numbers. This is being monitored and a new approach to these venues has been outlined within the Leisure Facility Strategy		🚫

Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
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EALT5 Sport and Community Venues 176,725 179,362



EALT5 Sport and Community Venues

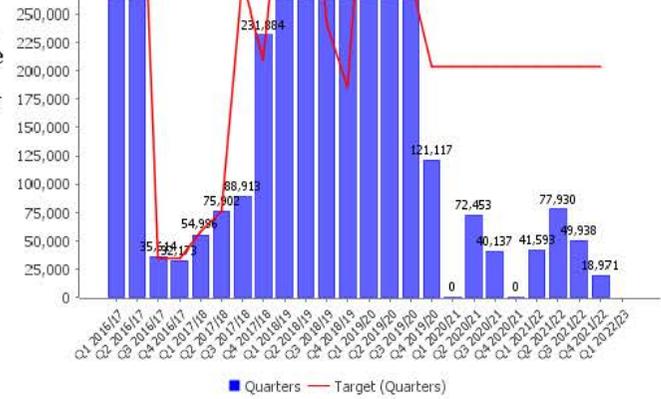


EALT6 Countryside 18,971 203,611



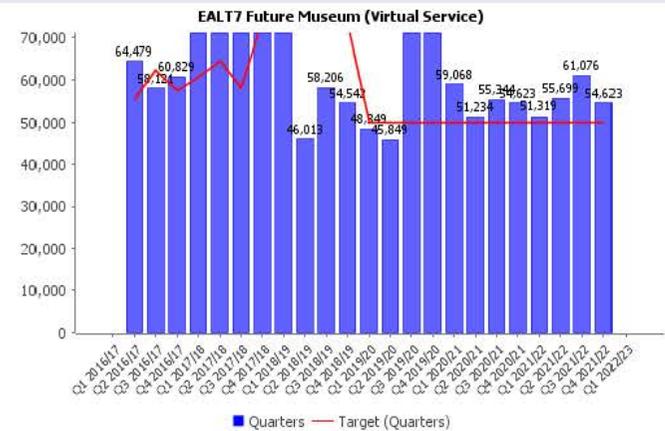
This figure does not reflect the numbers currently using Dean Castle Country Park or River Ayr Way. The people counters on the River Ayr Way are currently not working and so we can't monitor numbers using the route. We are currently introducing new people counters to all the countryside venues and will be adopting a new approach to monitoring numbers.

EALT6 Countryside

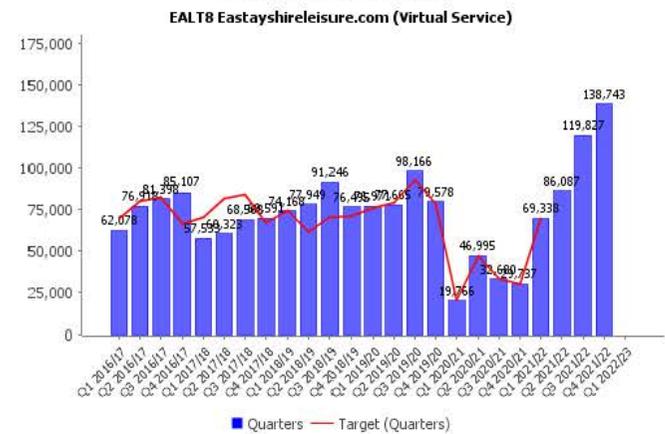


Code & Short Name	Current Value	Current Target	Short Term Trend	Long Term Trend	Latest Note	Trend Chart	Traffic Light Icon
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EALT7 Future Museum (Virtual Service)	54,623	50,000	↓	↓			🟢
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EALT8 Eastayshireleisure.com (Virtual Service)	138,743		↑	↑			?
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PI Status	
🔴	Alert
🟡	Warning
🟢	OK
?	Unknown
📊	Data Only

Long Term Trends	
↑	Improving
▬	No Change
↓	Getting Worse

Short Term Trends	
↑	Improving
▬	No Change
↓	Getting Worse



RISK REGISTER



Risk Register

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
1	There will be a 20% reduction in funding received from East Ayrshire Council, resulting in a reduction in service provision and a requirement to generate more income from services.	Chief Officer	4	4	16 RISK APPETITE: CAUTIOUS (Compliance)	HIGH	<ul style="list-style-type: none"> • Communication with East Ayrshire Council allowing forward planning to ensure that service provision meets the requirements of the main funding provider. • Best Value Review Implementation • PR; communications with staff and customers
2	There is a risk of not being able to maintain high quality services because of a lack of funding, resulting in a failure to invest, loss of staff, a reduction in staff commitment and damage to East Ayrshire Leisure's reputation.	Executive Managers & Development Managers	4	3	12 RISK APPETITE: OPEN (Reputation)	MEDIUM	<ul style="list-style-type: none"> • Business Planning • Positive Public Relations • Equipment Replacement Policy • Continued dialogue with Council • Employee Recognition Scheme • Review of B.E.S.T. practise - ongoing training and development of staff
3	There is a risk partners and external stakeholders do not see East Ayrshire Leisure as a partner of choice because of a lack of resources invested in partnership activity, resulting in a failure to deliver Business Plan	Executive Managers & Development Managers	3	3	9 RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> • Service reviews • Positive Public Relations • Service Level Agreements/Contracts

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	targets and the loss of external funding.						
4	There is a risk that buildings are not at the standard required or operating efficiently in terms of environmental sustainability due to a lack of capital investment or maintenance, resulting in a reduction in facilities, loss of income, the inability to market services, inability to respond to impacts of climate change or weather and the loss of services.	Executive Managers & Development Managers	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> • Regular communication with the Council • Business Continuity Plan • Regular Workplace inspections and reviews • Fire Risk Assessments • Established repairs reporting system • Proposed Asset Management Plan (EAC) • Capital Improvement Plan • Environmental Management, Monitoring and reporting • Leisure Facility Strategy
5	There is a risk that East Ayrshire Leisure does not take commercial opportunities because staff are not able to identify and take these opportunities, resulting in lost revenue streams, perceptions of poor service and the failure to be aligned with market demands.	Executive Managers & Development Managers	4	3	12 RISK APPETITE: OPEN (Financial)	MEDIUM	<ul style="list-style-type: none"> • Attendance at Events • Recruitment and Selection procedure • Review of Best Practise • Training and development programme

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
6	There is a risk that East Ayrshire Leisure does not have the right people with the right skills in the right places because of the failure to adapt/train existing staff, not recruiting the right people and not motivating its workforce. This would result in poor services, lack of customer engagement, failure to cross-sell and a loss of income.	Executive Managers & Development Managers	3	2	6 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> • Training and development • Ongoing review of Training matrices • Induction Process • Review of B.E.S.T. Practise • Recruitment and selection procedure • Effective communication with staff
7	There is a risk that East Ayrshire Leisure will not comply with legislation standards and fail to meet the requirements of Health & Safety, GDPR, OSCR, VAT etc.	Executive Managers & Development Managers	1	4	4 RISK APPETITE: CAUTIOUS (Compliance)	LOW	<ul style="list-style-type: none"> • Partnerships Working Groups • Service Level Agreement • Support from East Ayrshire Council

Risk Register - COVID 19

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
8	There is a threat to the viability of current Business Operations arising from Business closure resulting in reduction in service provision and the inability to fully deliver Strategic Delivery Plan.	Executive Management and Development Managers	5	3	15 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> Consider and review the implications of COVID-19 including social distancing measures Review actions within the Strategic Delivery Plan Continue to deliver and develop alternative services Social media and website presence Customer e-newsletters Working from home policy
9	There is a risk to the organisation's management due to the high dependency on the 2 members of Executive Management Team and Development Management team.	Chief Officer	3	3	9 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> Business Continuity Plan Monthly DMT Business Meetings Stress Management training Monitoring workloads through 1-1 meetings
10	There is a threat to the financial stability of the organisation resulting from loss of income. Ongoing closure could have an impact on the management fee received from East Ayrshire Council.	Executive Management and Development Managers	5	4	20 RISK APPETITE: OPEN (Financial)	HIGH	<ul style="list-style-type: none"> Continued dialogue with East Ayrshire Council in relation to the management fee Consider financial support available to the organisation as a result of the coronavirus Claim employees wages through Job Retention Schedule Monitor cashflow and reduce expenditure where possible Continued support & guidance given by Community Leisure UK Online services including sales Maximise additional income streams

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
11	Reduction in workforce from COVID 19 resulting in loss of key staff and skills. Potential reduction in availability of all staff to resume roles resulting in inability to deliver all services with potential loss of income.	Executive Management and Development Managers	4	3	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> Alternative service provision – transformation Training & Development Programme Recruitment & Selection procedure Working from home policy
12	There is a risk to our reputation if we do not adhere to government guidance in an appropriate timely manner to ensure both staff and customers are in safe and controlled environment.	Executive Management and Development Managers	2	4	8 RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> Follow and monitor Local, Scottish and National Government guidance Consider and review the implications of COVID-19 on the operation of our business Support from East Ayrshire Council Effective communication with staff and customers
13	There is a risk that East Ayrshire Leisure staff morale could be at an all time low due to the impact of COVID 19. (financial, bereavement, domestic circumstances, furlough etc)	Executive Management and Development Managers	3	4	12 RISK APPETITE: OPEN (Operation)	MEDIUM	<ul style="list-style-type: none"> Regular communication with staff Access to support services eg counselling services Staff trained in mental health practices Staff engagement programme Access to Support & Wellbeing Programme Staff Recognition Scheme
14	There is a risk that East Ayrshire Leisure will not be in a position to attract existing customers back to our facilities	Executive Management and	3	4	12 RISK APPETITE: OPEN	MEDIUM	<ul style="list-style-type: none"> Review of service provision – transformation Customer engagement programme Customer e-newsletters

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	due to financial constraints, alternative opportunities being available and loss of confidence.	Development Managers			(Financial)		
15	There is a risk that East Ayrshire Leisure's business continuity will be affected if key decisions cannot be made due to the inability to hold Trustee board and performance and audit meetings.	Chief Officer	1	5	5 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> Regular liaison with Chair and Vice Chair Regular Trustee updates Review of agenda items Establishment of video conferencing
16	There is a risk that building and/or equipment maintenance and repairs cannot be carried out either due to lack of staff or companies no longer operating, resulting in non-service provision or loss/damage to our facilities.	Executive Management and Development Managers	2	4	8 RISK APPETITE: OPEN (Reputation)	LOW	<ul style="list-style-type: none"> Regular communication with EAC Business Continuity Plan Alternative service delivery Maintenance Liaison Group
17	There is a risk that capital projects cannot proceed which will impact on planned and unplanned opportunity to upgrade existing facilities.	Executive Management and Development Managers	2	3	6 RISK APPETITE: OPEN (Operation)	LOW	<ul style="list-style-type: none"> Regular communication with EAC and other partners Work in partnership to resolve issues and minimise impact Effective communication with staff and customers
18	There is a risk that external funding may be withdrawn or have to be repaid due to projects no longer being viable	Executive Management and	2	3	6 RISK APPETITE: OPEN	LOW	<ul style="list-style-type: none"> Regular communication with funders and partners

No.	Risk	Lead Officer	Likelihood	Impact	Total Risk Score (L x I)	Risk Category	Controls
	or East Ayrshire Leisure being unable to fulfil requirements to meet funding obligations.	Development Managers			(Operation)		<ul style="list-style-type: none"> • Work in partnership to resolve issues and minimise impact eg extend funding, consider alternative delivery option • Effective communication with customers

PERFORMANCE & AUDIT SUB COMMITTEE

EXTERNAL AUDIT PLAN 2021/22

Date: 14 June 2022

Agenda Item: 5

Report by: Lorraine Russell, Finance & Business Development Manager

I PURPOSE

- 1.1 The purpose of this report is to present the External Audit Plan for 2021/22 for noting by the Sub-Committee.

2 BACKGROUND/CONSIDERATIONS

- 2.1 Azets Audit Services (previously Scott Moncrieff) were reappointed as East Ayrshire Leisure Trust's External Auditors in 2017. The contract was for 3 years with 2 1-year extensions. The first extension was awarded in 2019 and the second extension was awarded 2020. Due to COVID and current restrictions a further 1-year extension has been awarded.
- 2.2 The External Audit Plan is attached as Appendix I to this report. The document has been updated to take account of COVID 19 and details the work plan which will underpin the 2021/22 External Audit and sets out how both the Board and Azets will meet their respective responsibilities under charities legislation and International Standards of Auditing.
- 2.3 The projected timescales for the audit allows for completion in July 2022, and this will allow the audited accounts to be presented to the AGM and then to the Council as part of the 2021/22 performance report.

Recommendation/s:

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

- i. Consider and note the External Audit Plan for 2021/22; and
- ii. Otherwise note the content of this report.

Signature: Lorraine Russell

Designation: Finance & Business Development Manager

Date: 30 May 2022



East Ayrshire Leisure

Audit plan

Year ended 31 March 2022



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

26 April 2022

Dear Trustees

East Ayrshire Leisure
Audit plan for the year ended 31 March 2022

This Audit Plan confirms our audit arrangements in respect of East Ayrshire Leisure ('the Trust') for the year ended 31 March 2022 and to formalise our fee proposal for this year.

As auditors we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) (ISAs (UK)), which is directed towards forming and expressing an opinion on the financial statements that have been prepared on behalf of management with the oversight of those charged with governance. The audit of the Trust's financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

This audit plan highlights the key elements of our proposed audit strategy for the benefit of those charged with governance, as required by ISA (UK) 260. Its contents will be discussed with the Board. We will communicate any significant adverse or unexpected findings affecting the audit on a timely basis, either informally or in writing and our audit findings report will be issued prior to approval of the financial statements and will present our significant findings and other matters arising from the audit.

Yours faithfully

Azets Audit Services

Azets Audit Services

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

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1. Key audit risks

Significant risks

Significant risks are defined by professional standards as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, we consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement. Under ISA (UK) 240 there is a presumed risk of management override of controls and risk of fraudulent transactions within the revenue cycle for all entities.

Key risk area	Audit Approach
<p>Revenue recognition</p> <p>Under ISA (UK) 240 there is a presumed risk of fraud in relation to revenue recognition. The presumption is that the Trust could adopt accounting policies or recognise sales in such a way as to lead to a material misstatement in the reported revenue position.</p> <p>Risk assessment: High</p>	<p>In respect of the management service fee from East Ayrshire Council, we do not consider the revenue recognition risk to be significant due to a lack of incentive and opportunity to manipulate this revenue stream. However, the risk of fraud in relation to revenue recognition is present in all other revenue streams. We will evaluate each material revenue stream, including the controls over revenue accounting. We will conduct substantive testing on all material revenue streams to confirm revenue has been recognised appropriately and in line with accounting policies.</p>
<p>Management override</p> <p>ISA (UK) 240 there is a presumed risk that management and trustees have the ability to process transactions or make adjustments to financial records outside of the normal financial control processes. Such transactions could lead to a material misstatement in the financial statements.</p> <p>Risk assessment: High</p>	<p>In response to this risk we will review East Ayrshire Leisure's accounting records and obtain evidence to ensure that any significant transactions outside the normal course of business are valid and accounted for correctly. We will adopt data analytic techniques to review and test aspects of this significant risk. We will assess whether judgements and assumptions made in determining accounting estimates as set out in the financial statements are indicative of potential bias.</p>
<p>Key accounting estimate – pension assumptions</p> <p>An actuarial estimate of the pension fund asset/liability is calculated on an annual basis under FRS 102 and on a triennial funding basis by an independent firm of actuaries with specialist knowledge and experience. The estimates are based on the most up to date membership date held by the pension fund and have regard to local factors such as mortality rates and expected pay rises with other assumptions around inflation when calculating the liabilities. There is a risk that the assumptions used are not appropriate.</p> <p>Risk assessment: High</p>	<p>We will review the controls in place to ensure that the data provided from the pension fund to the actuary is complete and accurate. We will review the reasonableness of the assumptions used in the calculation against other local government pension fund actuaries and other observable data. We will agree the disclosures in the financial statements to information provided by the actuary.</p>
<p>Going concern including the consideration of the impact of the Covid-19 pandemic</p> <p>The Trustees must undertake a formal assessment of the Trust's ability to continue as a going concern for at least the 12 months following the signing of the financial statements at both the planning stage of the audit and at the date the financial statements are signed.</p> <p>This assessment should fully consider the potential impact of the COVID-19 pandemic on the going concern status of the Trust as well as identify any post balance sheet events that may require adjustment to or disclosure in the financial statements.</p> <p>Risk assessment: Medium</p>	<p>In respect of going concern, we will review:</p> <ul style="list-style-type: none">• The Trust's assessment of going concern;• the annual budget;• post year end management accounts; and• the cash position at the approval of the financial statements. <p>In respect of post balance sheet events, we will review:</p> <ul style="list-style-type: none">• post year end Board minutes;• post year end management accounts; and• audit confirmations from the Trust's solicitors. <p>We will have a detailed discussion with management in respect of going concern and post balance sheet events.</p> <p>We will confirm with the Board the going concern status prior to signing the financial statements and obtain an update on post balance sheet events.</p> <p>We will ask the Trustees, via the letter of representation, to confirm that the Trustees have concluded that the Trust is a going concern and to confirm that the financial statements reflect all post balance sheet events.</p>

2. Materiality

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

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

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

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

Our initial assessment of materiality for this year ended 31 March 2022 was calculated as follows.

Key risk area	Trust (£)	Explanation
Overall materiality for the financial statements	£122,000	Accounts materially misstated where total errors exceed this value. Our initial assessment is based on approximately 2% of the forecast 2021/22 incoming resources. Our assessment of materiality is set with reference to incoming resources as we consider this to be the principal consideration for users of the financial statements when assessing the performance of East Ayrshire Leisure.
Performance materiality	£91,500	Work performed to capture individual errors at this level. Using our professional judgement we have calculated performance materiality at 75% of overall materiality.
Trivial threshold	£6,100	All errors greater than this are reported.

3. Nature and scope of audit work

Engagement terms

Our engagement letter dated 26 April 2022 sets out our terms of reference as auditor and has been provided to the Board. It is your responsibility to provide a copy of this Audit Plan and our engagement letter to all those charged with governance including all non-executive trustees.

Auditor's report

On completion of our audit work, we will issue you with an Auditor's Report, in which we will express our opinion as to whether, the financial statements:

- give a true and fair view of the state of the Trust's affairs and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 Charities Accounts (Scotland) Regulations 2006; and

In addition we are required on report on whether:

- the information given in the strategic report and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

We are also required to report where the trustees' use of the going concern basis of accounting is not appropriate or where disclosures relating to material uncertainties are inadequate.

Our responsibilities

Our Audit Report is made solely to the Trust's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our work will be undertaken so that we might state to the Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. In those circumstances, to the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Trust and the Trust's members, as a body, for our audit work, for the audit report or the opinions we will form.

In order to arrive at our opinion, we will undertake a variety of audit procedures, designed to provide us with sufficient audit evidence to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

Accounting systems and internal controls

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

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

Going concern

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

Management responsibility

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

Auditor responsibility

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

Related party transactions

ISA 550 "Related Parties" requires that the audit process starts with the client providing a list of related parties to the auditors, including any entities under common control, shareholders, trustees and directors.

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

4. Audit team and timetable

Audit Team

Your audit team will be as follows:

Partner	Nick Bennett	nick.bennett@azets.co.uk
Manager	Sarah Lowe	sarah.lowe@azets.co.uk
Senior	Paul Byrne	paul.byrne@azets.co.uk
Associate	Rebecca Ross	rebecca.ross@azets.co.uk
Associate	Lewis Sarkhosh	lewis.sarkhosh@azets.co.uk

Timetable

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

Event	Date
Audit planning meeting	21 February 2022
Performance & Audit Sub Committee at which the external audit plan will be considered	17 May 2022
Commence audit fieldwork	w/c 16 May 2022
Presentation of our Report on the Audit to the Performance & Audit Sub Committee	16 August 2022
Approval and signing of the financial statements	13 September 2022 (AGM)

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

5. Fees

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

	Actual 2021 £	Proposed 2022 £
Audit of financial statements	12,000	13,200

The proposed fee is on the basis that:

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

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

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

6. Independence and non audit services

Independence and Ethics

The *Revised Ethical Standards 2019* and ISA (UK) 260 require us to give you full and fair disclosure of matters relating to our independence. We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that Azets Audit Services and the engagement team complied with the FRC's Ethical Standards. We confirm that all threats to our independence have been properly addressed through appropriate safeguards and that we are independent and able to express an objective opinion on the financial statements.

Audit and non-audit services

The following services were provided in the year to 31 March 2022 and to 31 March 2021.

Audit services	Fees 2022 £	Fees 2021 £
Audit of Trust	13,200	12,000
Total audit services	13,200	12,000

Non audit service	Fees 2022 £	Fees 2021 £	Potential threats	Safeguards applied
Preparation of statutory accounts	£3,025	£2,750	Self review	Trustees sign and approve all adjustments made to the financial statements.
Tax and VAT services	£1,360	£2,125		Whilst the preparation of statutory financial statements is carried out by members of the audit team, these are subject to review by an individual separate from the audit team.
Due diligence	£nil	£8,000		All other services are provided and reviewed by staff separate from the audit team.
Total non-audit services	£4,385	£12,875		

AZETS

INTERNAL AUDIT PLAN

Date: 14 June 2022

Agenda Item: 6

Report by: Anneke Freel, Chief Officer

Summary

The purpose of the report is to provide Trustees with an update of previous Audit Plans and provide details of the proposed Internal Audit Plan 2022/23 for consideration and approval.

I BACKGROUND

- 1.1 As a result of the Coronavirus pandemic internal audit plans for the prior two years have encountered delays as accessing key members of staff has been challenging as well as obtaining access to physical buildings. In recognition of this, our Service Level Agreement with Internal Audit for 2022/23 has been increased from 25 days to 50 days, this will ensure the completion of any outstanding works while effectively delivering the 2022/23 Internal Audit Plan.
- 1.2 Over and above the current allocation to the Trust, further assurance can be achieved through the work Internal Audit undertake for the Council such as shared systems e.g. payroll, accounts payable, audited for the Council, but operated by both Council and Trust.

2 INTERNAL AUDIT PLAN

- 2.1 An update on prior Internal Audit Plans is provided below:
- 2.2 Advisory - Shared Site Gym and Sports Equipment
 - 2.2.1 The advisory works relating to the responsibilities of the Trust and East Ayrshire Council for school based shared sites, gym and shared sport equipment, is complete. The aims and objectives of the assignment were to confirm the current responsibilities of the Trust and East Ayrshire Council (EAC) for schools' based shared site gym and sports equipment, in relation to resourcing and managing repair, maintenance, and replacement of the equipment, the daily inspection of equipment, and to identify where formal responsibilities require to be established and agreed.
 - 2.2.2 Internal Audit identified two main areas where improvements to the current arrangements for shared site equipment with school campuses can be improved. The areas include:
 1. In consultation with Legal Services formal agreements should be drawn up which clearly specify the roles and responsibilities of the Trust and EAC for shared equipment within each site.
 2. An equipment replacement programme should be developed and the split of responsibilities for arranging the replacement and agreeing the costs to be met by the Trust and EAC.
 - 2.2.3 Internal Audit will carry out a follow up assignment to establish progress against each of the recommendations.

PERFORMANCE & AUDIT SUB COMMITTEE

- 2.3 Advisory – Follow Up - Collections Controls & Sample Testing
- 2.3.1 The 2019/20 Internal Audit Plan included an advisory assignment for a review of our existing Collections policy; identify gaps and improvements; verify that operational procedures are in place and operating effectively to support the policy where required and that they reflect the requirements of the Museum Accreditation Scheme (MSG) and insurance requirements. That exercise resulted in an opinion of sound assurance in most areas which confirmed that key controls exist and are applied consistently and effectively in all areas. Six recommendations were highlighted as part of this audit to ensure continuous improvement and these were primarily in relation to updating the Documentation Procedural Manual to reflect changes in processes and procedures resulting from the introduction of Axiell.
- 2.3.2 During the 2019/20 assignment Internal Audit were advised that a new Collections Management IT System was being introduced within the Trust. The new system (Axiell) is intended to ensure Collections are effectively recorded and to provide a better audit trail in relation to movement of Collection items. As the system was not fully implemented prior to conclusion of the audit, Internal Audit could not test this and could not therefore provide assurance in this area.
- 2.3.3 Prior to conclusion of the assignment in 2020 changes to working arrangements were required to deal with the Covid-19 pandemic and access to Trust facilities was not permitted. It was therefore not possible to verify that the operational procedures were operating effectively. It was agreed that Internal Audit would allocate time within the 2020/21 Internal Audit Plan to allow this testing to be performed as originally planned and to report both areas of work at the same time.
- 2.3.4 Subsequently the Council's external auditors in their 2020/21 report to the Governance & Scrutiny Committee noted a recommendation with regards to Heritage Assets and both the Trust and Internal Audit resources were directed to respond. The Internal Audit response included a review of the new Collection Procedural Manual, substantial physical testing of the collection including to new records held on the recently acquired Axiell software system. The review of the new draft Collection Procedural Manual included a follow-up of the 2019/20 recommendations and all were found to be fully implemented, resulting in a score of 100%.
- 2.3.5 Some further Internal Audit time has been allocated in the East Ayrshire Council Internal Audit Plan 2022/23 to allow verification of items/collections, including those items being moved as part of the Dean Castle re-opening.
- 2.4 Advisory Works – Performance Indicators
- 2.4.1 This work remains outstanding and will be completed as part of the 2022/23 audit plan. Discussions are underway with Internal Audit to develop an audit brief that will be beneficial for the Trust, ensuring sound governance arrangements are in place around the collation and reporting of all Trust related stats both internally and externally.
- 2.5 Advisory Works - Evaluation Strategy
- 2.5.1 Following discussion with Internal Audit, the Relationship & Business Development Manager has developed a Performance Monitoring Protocol. This protocol details the mechanisms that the Trust adopt to gauge customer and staff satisfaction as well as the impact we have on our communities. All feedback is used to inform our 'Organisational Learning' process and is reported back to the Development Management Team, with positive comments being shared on social media, publicity materials and customer and staff newsletters.
- 2.5.2 The process is currently being piloted as part of our Community Renewal Project and will be reviewed at the end of the project.

2.6 Advisory Work – Website Review

2.6.1 The aims and objectives of this audit assignment were to enable Internal Audit to independently review the Trust website and assess the relevance and usefulness of the contents, the ease of access and navigation, and compliance with good practice. The potential risks identified were:

- Appearance and design may not be suitable
- Information may be inaccurate / lack clarity;
- Public transparency of governance may not be maximised – e.g. Committee papers
- Navigation may be difficult;
- Difficulties in access to purchasing/booking tickets;
- Difficulties in finding locations/opening hours etc.;
- Website may not be fully accessible/usable on some types of user device (i.e., PC/tablet/smartphone).

2.6.2 Overall, Internal Audit found that the Trust website fully satisfied the principles of good website design. They found all aspects of website accessibility, design, content and operation to be fully satisfactory on each of the devices used during the review.

2.6.3 The Trust website (www.eastayrshireleisure.com) is a valuable tool for the organisation which enables us to deliver a high standard of customer service. Our website continues to be developed as part of our Digital Transformation Action Plan and as part of our Business Development process.

3. PROPOSED AUDIT PLAN 2022/23

3.1 The Senior Management Team have given the 2022/23 Internal Audit plan consideration and the following programme is being proposed for consideration:

- Advisory work to support development of key documents
As part of continuous improvement and the requirement for Senior Managers to develop key documents it is envisaged that Internal Audit act as a ‘critical friend’ and support the development of key documents to ensure risk management controls and governance processes are established and documented.
- Advisory work to support protection of property & people
It is intended that this work will have a key focus on the security and keyholding arrangements of Trust venues as well as a focus on lone working and threat of violence. The Trust recognise their responsibility to develop and implement systems of control and appreciate our obligation to ensure that internal controls are in place and are operating effectively. It is therefore envisaged that Internal Audit could add value and assist the organisation to meet their objectives.

4. CONCLUSION

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

PERFORMANCE & AUDIT SUB COMMITTEE

Recommendation/s:

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

- i. Considers and approve the Internal Audit Programme 2022/23 as proposed in this report; and
- ii. Otherwise note the content of this report.

Signature: *Anneke Freed*

Designation: Chief Officer

Date: 15 May 2022