

EAST RENFREWSHIRE COUNCILCABINET15 AUGUST 2019Report by Director of EducationEAST RENFREWSHIRE CULTURE AND LEISURE END-YEAR REPORT 2018-2019**PURPOSE OF REPORT**

1. The purpose of this report is to inform the Cabinet of the end year performance of East Renfrewshire Culture and Leisure (ERCL) for 2018-19. The report is based on performance indicators and activities in the Outcome Delivery Plan (ODP) and ERCL business plan. Detailed performance results prepared by the Trust's Chief Executive are attached in Appendix A.

RECOMMENDATION

2. The Cabinet is asked to comment on and approve this report as a summary of the ERCL end-year performance for 2018–19.

BACKGROUND

3. Progress against the performance indicators and activities in the ODP is reviewed on a 6-monthly basis through departmental reports that are considered by the Chief Executive, Directors and Heads of Service as part of a regular set of performance review meetings. In addition, the departments and individual services review performance through team meetings and planning sessions.

4. On 2 July 2015, ERCL was established with the responsibility for the delivery of outcomes and improvements in arts, libraries, sports and community facilities.

5. Monitoring of quality and standards of service, financial, equality and complaints information for ERCL is reported to, and monitored, by the Community Planning Partnership (CPP) and Council. This includes:

- a. ERCL's annual Business Plan – which is presented to Council for approval. The Business Plan demonstrates how ERCL will support the Council in delivering Best Value.
- b. ERCL provides Council with its quarterly report, which updates on its contribution to relevant outcomes in the Community Plan, Fairer East Ren Plan and Council's ODP.
- c. ERCL's performance against ODP targets is monitored by the CPP and Council on a 6 monthly basis. ERCL's Chief Executive is a member of CPP's Performance and Accountability Review (PAR).

REPORT

6. This report (see Appendix A) sets out a high level summary of the performance of ERCL in 2018–19 for arts, sports, libraries and community facilities. The balanced scorecard is organised under four organisers; performance, customer/process, people and financials with commentary provided for each. The report also includes detailed performance information relating to the ODP. This report has been prepared by the Trust's Chief Executive, based on their performance monitoring and was presented to and discussed at the last meeting of the ERCL Board on 4 June 2019.

7. Last year's report to Cabinet on the performance of the services delivered by ERCL commented on the ongoing improvements that had been seen, particularly in terms of attendance levels in sports and libraries. 2018-19 has seen a continuation of the overall strong performance levels despite a challenging background with the refurbishment of Barrhead Foundry and competition from other operators.

8. Achievements in 2018-19 included:

- Virtual visits to libraries were up by 76% to 632,409;
- Community Facilities increased attendances by 2% on 2017-18 levels;
- Whilst theatres professional programmes attendances were down 2% from 2017-18, there was an increase in events and performances with sales 10% above target;
- The latest data published by **sportscotland** shows that Active Schools sessions in East Renfrewshire are at their highest ever levels. More than 8,000 children and young people take part every year, with more than 90% of those participating reporting that they felt more motivated and healthier afterwards. A reflection of this success is the fact that in March **sportscotland** wrote to the Council confirming that East Renfrewshire would be one of the few authorities in Scotland to receive funding for a further four years.
- A reduction in the number of complaints by 20% from the previous year.
- Introduction of upgraded theatre equipment at Eastwood Park which supports streaming of the National Theatre Live Programme.
- Introduction of Direct Debit payment for Swimming Lessons.
- Development of a referrals, sales and retention approach in commercial operations, underpinned with ongoing training, CPD and focus on improved customer care. This resulted in the highest number of gym memberships sold in a year.
- 15 volunteers were recruited and trained to support the MacMillan Cancer Information Support Service (CISS) and Move More programme at Clarkston Library.
- Customer satisfaction rates with Community Facilities remained very high, with ratings for cleanliness, building condition, frontline staff performance and overall service all at 97% satisfaction or above.
- Despite decreased footfall, children's & young peoples' book issues grew 2.7% continuing a trend started in 2015-16.

- New catering operations and offering at The Foundry and Eastwood Leisure Centre.
 - Referrals to Live Active exceeded NHS targets for a second year – up to 655 against a 560 referral target, with completion rates at key milestones the best in the health board area.
 - Vitality attendances 11% up to 15,513. Taken together with Live Active this represents increased performance in improving wellbeing and tackling social isolation amongst older adults.
9. Areas where further improvement work is required include:
- Leisure centre attendances finished the year 7% below 2017-18; with the Foundry Pool refurbishment accounting for almost half of the overall decrease;
 - Physical library visits were down 5% from 2017-18, primarily due to decreased footfall through Barrhead Foundry refurbishment;
 - Sustaining growth in gyms and fitness and recovering swimming lesson programmes following Foundry refurbishment;
 - Staff sickness and absence levels rose slightly on the previous year, largely due to long-term illnesses (8.3 FTE days per FTE member of staff – 0.8 above 2017-18); and,
 - Develop new marketing strategies to promote community sports programmes and mitigate the impact of GDPR.
10. The vision for ERCL “*is to be the highest-performing Leisure Trust in Scotland*”. Action is being taken to improve performance further, modernise service delivery:
- To increase attendances at indoor sports and leisure facilities we will:
 - develop a “Lead Teacher” approach for swimming lessons;
 - continue the roll-out of direct debit payment scheme for swimming lessons to improve efficiency and customer experience and secure customers.
 - To increase adult participation in physical activity we will:
 - Refresh of the gym and fitness studio in Barrhead Foundry and a further review of gym pricing in light of new competitors’ offerings;
 - Consider a new pricing structure for Gyms and Fitness products to increase competitiveness.
 - To increase the percentage of resident population engaging in cultural activities we will:
 - Continue the implementation of the development strategy for Eastwood Theatre.
 - To increase the number of Library visits per 1000 population we will:
 - Develop and implement a new Libraries and Information Services strategy for East Renfrewshire.

FINANCE & EFFICIENCY IMPLICATIONS

11. There are no specific financial implications arising from this report. During the year East Renfrewshire Culture and Leisure Trust income was in line with budget. Operating expenditure was favourable to budget by £214k, with staff costs below budget by £341k due to a large number of vacancies. As a result unaudited net income for 2018-19 of £291k was up £281k on the full year budget. The final financial position was improved from the forecast and allowed for a prudent level of reserves to be retained.

12. The Council commissioned an independent finance and business review of the Trust in 2017-18 and the subsequent joint Trust / Council action plan is continuing to be implemented and overseen by the Director of Education, the Council's Chief Finance Officer, the Trust's Board and its Chief Executive. ERCL will continue to self-evaluate its performance and take the necessary steps in partnership with the Council, to improve those areas identified for improvement in section 9 as part of its business planning process.

CONSULTATION

13. ERCL's Business Plan calls for the development of "*An understanding of our customers and audiences, and an offer that attracts and inspires them.*" In support of this, they have undertaken consultation in relation to the pricing and product review; an evaluation of the gymnastics programme, including the competition outcomes; the annual library survey; and following the implementation of the Gyms and Fitness online retention package ('TRP'), analysis of all customer comments and feedback received through the various communication channels including TRP.

PARTNERSHIP WORKING

14. This report relates to the contribution of ERCL to the delivery of the Community Planning Partnership's SOA. In making this contribution, ERCL work with many partners across the Council and externally, including national and third sector organisations.

CONCLUSION

15. This report summarises a high level overview of performance of ERCL at end-year 2018-19. Elected members should note that the information presented here shows an overall positive picture although there are areas where there is scope for further improvement.

16. The Director of Education is confident that the Trust will continue to make positive contributions to the CPP's Community Plan and will work to achieve the targets set out in the Council's ODP. In addition, the joint Trust / Council action plan will support the Trust in delivering improvements following the business and finance review, which, most importantly, will allow it to continue to improve the experiences and outcomes of its customers, building on its recent successes and improve profitability.

17. East Renfrewshire Culture and Leisure Trust is performing well, improving customer experiences, meeting its charitable objectives and is contributing to the health and wellbeing of the residents of East Renfrewshire. The Trust operated within budget for 2018-19 following additional budgeted support from the Council and has still continued to deliver £420k of net base savings on NDR and VAT since 2016-17. As such, the Trust is supporting the Council to improve outcomes and secure best value in delivery of services.

RECOMMENDATION

18. The Cabinet is asked to comment on and approve this report as a summary of East Renfrewshire Culture and Leisure end-year performance for 2018–19.

Mhairi Shaw
Director of Education
15 August 2019

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Local Government Access to Information Act 1985

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Appendix
A. ERCL - Year End Summary Report 2018/19

Background Papers
Audit and Scrutiny Committee Report – Response to National External Audit Report: Council's Use of Arm's Length Organisations

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Business Performance

For the year ended 31 March 2019

East Renfrewshire Culture & Leisure Board

4 June 2019

Prepared by: Karen Storie
Reviewed by: Anthony McReavy
Dated: 28 May 2019

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Balanced Scorecard

For the year ended 31 March 2019

East Renfrewshire Culture & Leisure Limited Balanced Scorecard Overview

East Renfrewshire Culture & Leisure Limited Balanced Scorecard - Key Performance Indicators For the year ended 31 March 2019

▲	Improvement from previous period
-	No movement from previous period
▼	Decline from previous period

PERFORMANCE

Leisure Centre Attendances	-
Libraries - Total Attendances	-
Community Facilities - Total Bookings	-
Theatre - Professional Programme % Target	-
Swimming Lesson Participants	-
Gym Membership Numbers	-
Public Swimming	-
Community Sports Courses - % Capacity	-

CUSTOMER / PROCESS

Customer Satisfaction	▼
SiB Action Plan Progress	-
Operational Projects	-
Unplanned Closures / Events	-
Audit Recommendations	-
PaTS Leisureshield KPI	-
Communications / Marketing Activity	▲
ERC SLA Services	-

PEOPLE

FTEs	-
Recruitment - <i>vacancy lead time</i>	-
Recruitment - % of posts unfilled	-
Staff Absence	-
Disciplinarys	-
Training & Development	-
Leadership	-
Staff Engagement	<i>not avail</i>

FINANCIALS

Net Income / (Expenditure)	-
Income	-
Expenses	-
Cost / Income Ratio	-
Average Swimming Income	-
Average Gym Membership	-
Unplanned events / closures - Financial Impact	-

East Renfrewshire Culture & Leisure Limited Balanced Scorecard Overview

East Renfrewshire Culture & Leisure Limited Balanced Scorecard - Metrics For the year ended 31 March 2019

PERFORMANCE		Actual	Plan / PY	Variance
Leisure Centre Attendances ~	#	661,581	709,409	(47,828)
Libraries - Total Attendances ~	#	1,142,557	895,002	247,555
Community Facilities - Total Bookings ~	#	23,399	22,330	1,069
Theatre - Professional Programme % Target	%	110%	100%	10%
Swimming Lesson Participants	#	2,256	2,390	(134)
Gym Membership Numbers	#	2,541	3,211	(670)
Public Swimming (inc. free swims) ~	#	110,463	118,684	(8,221)
Community Sports Bookable Courses - % Capacity	#	74%	80%	(6%)

CUSTOMER / PROCESS		Actual	Plan / PY	Variance
Customer Satisfaction - Customer Complaints ~	#	32	27	-5
SiB Action Plan Progress		Amber	Green	n/a
Operational Projects		Amber	Green	n/a
Unplanned Closures / Events	#	2	-	(2)
Audit Recommendations		Green	Green	n/a
Communications / Marketing Activity		Amber	Green	n/a
Leisure Centre Fire Safety Tests	%	98.2%	100.0%	(1.8%)
ERC SLA Services		Amber	Green	n/a

PEOPLE		Actual	Plan / PY	Variance
Full Time Equivalent (FTEs)	#	201.1	216.7	15.6
Recruitment - vacancy lead time	Days	43	55	12
Recruitment - % of posts unfilled	%	26%	5%	21%
Staff Absence ~	#	8.3	7.5	(0.8)
Disciplinaries ~	#	0	0	0
Training & Development		Green	Green	n/a
Leadership		Green	Green	n/a
Staff Engagement		not avail	not avail	-

FINANCIALS		Actual	Plan	Variance
Net Income / (Expenditure)	£k	291	10	281
Income	£k	8,925	8,859	67
Expenses	£k	8,635	8,849	214
Cost / Income Ratio	%	96.7%	99.9%	3.1%
Average Swimming Income	£	5.13	5.10	0.03
Average Gym Membership	£	27.03	26.63	0.40
Unplanned events / closures - financial impact	£k	209	-	-

Notes:

~ Plan is based on same period in Prior Year

East Renfrewshire Culture & Leisure Limited

Balanced Scorecard Overview

East Renfrewshire Culture & Leisure Limited

Balance dScorecard - Tolerances
For the year ended 31 March 2019

PERFORMANCE				CUSTOMER / PROCESS			
Leisure Centres - Cumulative total attendances across all centres (inc. outdoors)	<95%	>95%	>100%	Customer Satisfaction - Number of complaints through the Customer Comments system compared with the same quarter last year.	>120%	<120%	<100%
Libraries - Total Attendances - Cumulative total 'in person' and 'virtual' visits	<95%	>95%	>100%	Solace in Business Action Plan Progress - Tracking progress of SIB action plan against planned dates	>2 Ambers / Any Red	<3 Ambers	<2 Ambers
Community Facilities - Bookings - Cumulative total bookings processed for halls, community centres, pavilions and out of school after 6pm	<95%	>95%	>100%	Operational Projects - Tracking progress of Operational Projects	>2 Ambers / Any Red	<3 Ambers	<2 Ambers
Theatre Professional Programme % Target - Percentage of target Professional Programme tickets sold (cumulative)	<95%	>95%	>100%	Unplanned closures / Events - Unplanned closures resulting in loss of income / increased cost	Any	n/a	-
Swimming Lesson Participants - Participants registered at close of Quarter.	<95%	>95%	>100%	Audit Recommendations - Progress against internal and external audit recommendations	>2 Ambers / Any Red	<3 Ambers	<2 Ambers
Gym Membership Numbers - Total direct debit members at close of Quarter	<95%	>95%	>100%	Leisure Centre Fire Safety Tests - Percentage of Fire Safety Tests Passed as per Leisureshield Reports	<95%	>95%	>100%
Public Swimming Attendances - Total cumulative attendances for casual swimming, themed activities and free swims	<95%	>95%	>100%	Communications / Marketing Activity	Activity during Quarter		
Community Sports Bookable Courses - % Capacity - Percentage of available spaces on bookable Sports Development courses filled	<95%	>95%	>100%	ERC SLA Services - General assessment of current SLA services and progress to close gaps	>2 Ambers / Any Red	<3 Ambers	<2 Ambers
PEOPLE				FINANCIALS			
FTEs - No. of Full-Time Equivalent staff contracted, including O/T & Add Basic	>110%	>105%	<105%	Net Income / (Expenditure)	<95%	>95%	>100%
Recruitment - Average time to fill a vacancy (Request to offer)	>60	>55	<55	Income - Year to Date total income as per current Period financials	<95%	>95%	>100%
Recruitment - % of posts unfilled	>15%	>10%	<10%	Expenses - Year to Date total expenses as per current Period financials	>100%	>95%	<95%
Staff Attendance - Cumulative No. of sick days per FTE staff	<95%	>95%	>100%	Average Swimming Income - YTD income / average participants during period	<95%	>95%	>100%
Disciplinarys - No. of staff discipline cases live at quarter close	>1	n/a	-	Average Gym Membership - YTD gym membership BACS income / average participants during period	<95%	>95%	>100%
Training & Development	Based on activity in period			Events / Closures - Financial Impact. (Excludes Foundry) - Base estimate of lost income / additional exp incurred	>£5k	n/a	<£5k
Leadership	Based on activity in period						
Staff Engagement	Based on activity in period						

East Renfrewshire Culture & Leisure Limited Balanced Scorecard Overview

Performance

Overall attendances

Attendances <i>(Figures are cumulative from 01-Apr-18)</i>		Q4 2018/19	Q4 2017/18	V
Leisure Centres <i>- Total attendances across all centres (inc. outdoors)</i>	#	661,581	709,409	-47,828
Libraries - Physical <i>- Total "in person" attendances across all libraries</i>	#	510,148	535,667	-25,519
Libraries - Virtual <i>- Total virtual visits where these replace an "in person" visit (both years revised to meet new national guidelines)</i>	#	632,409	359,335	273,074
Community Facilities - Schools Out-of-Hours <i>- Total user attendances in schools after 18:00</i>	#	679,071	628,490	50,581
Community Facilities - Halls & Pavilions <i>- Total attendances in halls, community centres & pavilions</i>	#	278,717	307,680	-28,963
Professional Theatre Programme Attendances <i>- Total tickets sold for professional productions</i>	#	15,915	14,048	1,867

Leisure centre attendances finished the year 7% below 2017/18. Recovery noted in Q4 as pool usage approached previous levels on completion of the Foundry refurbishment. The Foundry pool closure accounted for 48% of the overall decrease (-22k attendances). A further 29% (-14k attendances) of the decrease is attributable to overall lower gym attendances, broadly consistent with a decrease in gym membership.

Library physical visits were down 5% primarily due to decreased footfall through Barrhead Foundry during the pool closure. This accounts for 76% of the total decrease. New national guidelines for counting of virtual visits were agreed with the Improvement Service at the end of 2018/19. Figures for 2017/18 and 2018/19 have been recalculated retrospectively. 2018/19 virtual visits still increased substantially as a result of online

research skills workshops delivered by Libraries' Development Officers in ERC primary schools. This initiative saw usage of Britannica Online increase more than threefold. The increasing trend in e-issues and continued in Q4 (+8.7k issues / +47%). This rate of increase can be expected to level off in 2018/19 without continued investment in resources. Full year book issues to children and young people increased a further 3% continuing an unbroken trend started in 2015.

Through maximising hirer usage of schools out-of-hours Community Facilities increased attendances by 21.6k attendances (+2%).

Theatre professional programme attendances were down 2% on 2017/18 however sales were 10% above targets. 108 shows have been presented to date compared to 103 in the previous year. In total there 263 events and performances, including hirers' shows (up 6% from 248).

Community Sports Development's Q3 free taster activity offer resulted in 73 out of 120 prospective participants booking onto courses. Consequently the "percentage of programme capacity filled" increased to 74% against its 80% target – up from 68% at close of Q3. This has in part helped the programme recover from the inability to distribute activity brochures directly through the schools.

Gym Membership

Membership is at 2,541 at year end (up 2.6% on Quarter 3 but 21% below target). At this level memberships have almost returned to where they were in Q1, prior to the opening of Pure Gym at Silverburn (Q1 -2,519). Attrition rates increased slightly from 3.5% in Q3 to 3.7%.

East Renfrewshire Culture & Leisure Limited Balanced Scorecard Overview

Swimming Lesson Participants

Swimming lesson registration started 2018/19 below 2,000 – a 5 year low – linked mainly to the Foundry pool closure. Reopening of the pool, sales efforts by staff and marketing initiatives improved numbers from Q2 onward reaching 2,244 by close of Q4 – a 13% increase – but still below pre-closure levels and 6% below target

Macmillan Funding Allocation – Libraries & Sports

At close of the project's first quarter in operation 15 volunteers have been recruited for the Cancer Information and Support Services (CISS) and Move More strands. Volunteers completed Macmillan core training and can now advise and support local people affected by cancer.

The first CISS point is installed in Clarkston Library with the volunteer-led drop in service fully operational by mid-June.

Walk leaders from established health walks in ERC have completed 'Macmillan friendly' training making these services suitable for people affected by cancer. Gentle Movement classes are scheduled to start in Clarkston and Barrhead in July/August.

Holocaust Memorial

In January – February 2019 Eastwood Park Gallery supported Holocaust Memorial Day through an exhibition of work by Hannah Rose Thomas and Yazidi women from Northern Iraq who had escaped ISIS captivity. The exhibition featured printed images of Thomas' portraits of the women, alongside their self-portraits, photographs and testimonies. The project used art as a powerful tool for advocacy; bringing their stories into places of influence in the West.

World Book Day – 4th March

In partnership with ERC Education, Library & Information Services arranged for every Primary School pupil in Barrhead to visit The Foundry Library to collect their World Book Day books.

In conjunction with the show - 'James Campbell: The Hilariously Funny World Of...' – the Arts & Heritage Team ran a competition for 5-12 year olds to enter their best joke. 120 entrants took part with the winner receiving free tickets and a chance to perform their joke on stage. This also marked the first time Eastwood Park Theatre had been part of the Glasgow International Comedy Festival.

Customer / Process

Customer Comments

Total complaints through our customer comment system rose 18% to 32 compared to Quarter 4 2017/18. However over the full year complaints dropped 20% to 118. Facility issues were again prominent accounting for 47% of all complaints. The bulk of these focused on lack of parking at Clarkston Library and Eastwood Park (17% of all complaints). Customers also complained about furnishings & fittings being lacking or inadequate (10% of complaints), heating & air conditioning (7%) and plumbing issues (5%).

Customer Engagement

Swimming Development ran a successful "Lead Teacher" test of change was at Eastwood Park in January-March. It featured a staff person in a promoted post providing an interface between parents, teachers and programme management. Evaluation suggested a threefold increase in parent likelihood of recommending the programme with improvements also noted in the quality of communication. The post has been continued in Eastwood Park, with further evaluation in Q1 of 2019/20 prior to a possible rollout to other sites.

East Renfrewshire Culture & Leisure Limited Balanced Scorecard Overview

ERC-ERCL (SIB) Joint Action Plan

Work continues on the SiB Action Plan and the implementation of the recommendations. The main area with outstanding issues relates to Financial Services (especially the balance sheet), with the bulk of deliverable actions dependent on the wider ERC 'Core Systems' project. Capital Funding has now been secured for the Trust ICT Digital Programme and the Building General Enhancement (excl. Community Facilities). SLA reviews have taken place with ICT and PaTS, with discussions to take place to discuss the service provision and the best way for this to be delivered.

An updated SiB Action Plan is included as agenda item 10.

Operational Projects

Foundry – Final Redevelopment Work

Electronic security gates have been installed and are due to be configured and operational by the summer.

Final Phase works - sports hall upgrade and studio refurbishment - are on track, also for the summer to minimise further customer disruption and inconvenience.

Theatre Equipment Upgrade

Equipment at Eastwood Park Theatre was renewed and upgraded in February. In additions to providing a better experience for hirers and companies, the upgrade will support the upcoming NT Live programme, which will see performances by the National Theatre streamed live in the Theatre Auditorium. Positive comments have already been received from customers attending our ongoing film screenings.

Business Review & Development

Swimming Lesson Programme

Direct Debit payment was introduced at the end of March to improve efficiency and minimise attrition. 34% uptake has been achieved.

Adoption of the National Scottish Swimming Programme was progressed with staff receiving training in working with participants with disabilities. The programme will be phased in over the course of 2019/20.

Gyms

2018/19 saw the business development programme, begun with Big Wave and now sustained internally, result in the highest number of gym memberships sold in a year. However, cancellations and lost members resulted in a net decrease (-260 members in EPL; -205 in BHF). There are a number of reasons for attrition rates, and it is difficult to apportion weighting to them.

There are 4 'internal' factors which we are looking to address over the next year (price and value, opening hours, condition of facilities) and also external ones such as parking, transport connectivity and competition. This last increased significantly with the opening of Pure Gym at Silverburn, accompanied as it was with pre-opening marketing, sales and promotions and consequent marketing and promotions from existing rivals.

It is interesting to note that whatever the actual relative importance of all of these variables on our attrition rates and membership numbers, the negative impact of Pure Gyms' opening on our membership (-13%), is exactly the same as it was in Renfrewshire upon the opening of the franchise in Paisley.

East Renfrewshire Culture & Leisure Limited

Balanced Scorecard Overview

Key priorities for Gym service improvement continue to be marketing & promotion, customer journey, a refresh of the fitness studio in Barrhead Foundry, and a further review of gym pricing in the light of new competitors' offerings.

The revised 12 week section of the customer journey has been in place for several months now. A review of Net Promoter Scores suggests an improving picture, with the NPS for Gyms rising 16 percentage points to 46 from 30 in 2017/18.

Pool Programme Restructure

Changes to pool programming across all of ERCL's leisure facilities, featuring improved access to public swimming and increased activities such as "Fun Sessions" to appeal to younger residents is now in place and will be evaluated throughout the year.

Café & Catering Provision

After a successful tendering exercise Greenhouse Community CIC was awarded the contract for provision at Barrhead Foundry and Eastwood Park Leisure, with the new facilities going live in January 2019.

Greenhouse Community CIC is a community interest company offering training and employment experience to individuals with learning difficulties, helping them to gain future long-term employment.

Lunchtime Theatre

In partnership with the new *Greenhouse Café Arts & Heritage* introduced a pilot series of 3 lunchtime theatre events. At 356, ticket sales were more than double initial projections. Plans are in place to continue the initiative.

Capital Programme – Building Enhancement Fund

Work is underway with the various ERC partners to plan and develop the building enhancement plans.

Unplanned Closures / Events

During the period, there were 2 closures, both at Eastwood Park Leisure involving pool contaminations.

Communications / Marketing Activity

Marketing campaigns were delivered in Q4 for gyms & fitness, community sports & arts courses, spring theatre programme and the 2019 Holiday programme. Campaigns included online advertising, e-marketing, PR, social media and print.

Campaigns are planned for the next period for gyms & fitness (June), swimming lessons (May), theatre programme (Apr - Jun), community sports & arts courses (June), family festival (May & June) and the 2019 holiday activities programme (April – June).

Marketing activity continued to be constrained by available resource however two Sales & Marketing Officers will be appointed in Q1 2019/20. The SLA with ERC in relation to Marketing ended on 31 March with the associated resource repurposed to deliver marketing and communications for 2019/20.

ERC SLA Services

Reviews of both ICT and PaTS services have now been completed. ICT SLA review was presented to the Board in February, with discussions to take place on the future service provision. Resource has been confirmed to support the delivery of the Digital CPA programme.

The review of the PaTS service is included as agenda item 9.

From April 2019, services in relation to Marketing & Communications and Corporate Health & Safety have been in-sourced, with the relevant funding transferred from ERC as part of the final budget adjustments.

East Renfrewshire Culture & Leisure Limited

Balanced Scorecard Overview

Actions have been agreed in relation to HR and Finance, with revised deliverables and/or monitoring frameworks, and progress against these will be monitored.

People

The current underspend of staff costs has slowed, but challenges still remain in recruitment, particularly within Venues and Community Facilities. Discussions have taken place with HR to consider how we can make the roles more attractive.

Cumulative staff absence levels at close of 2018/19 were 8.3 FTE days per FTE member of staff – 0.8 above 2017/18. The main factor was higher levels of absence across almost all services in Q2 due to long term illnesses (Q2 18/19 at 3.0 FTE days cf 1.1 in 17/18). Despite the slightly higher overall level, Q1 and Q3 2018/19 were either comparable to or lower than previous years, and at 1.4 FTE days Q4 was the lowest in 3 years.

Training and Development

53 members of the Swimming Development Team received “Inclusive Swimming” training in February delivered by the Scottish Swimming Partnership. Evaluation suggests a strong positive improvement in understanding the needs of disabled swimmers and how to better adapt teaching techniques to meet these.

Financials

The unaudited Net Income for the year ended 31 March 2019 of £291k was up £281k on the full year budget.

Earned income was in line with budget, including income from closure claims. A shortfall in sports income was offset by an uplift in Wetside/Dryside and Community & Arts income together with Grant income (which has an offsetting expense).

Service Fee Income up £64k due to additional income following the conclusion of the salary negotiations.

Operating Expenditure was favourable to budget by £214k, with the staff costs below budget by £341k, due to a large number of vacancies, being partly offset by an adverse variance in supplies and services due to securing additional resources (partly offsetting the staff cost variance) to review / support existing services together with upgrading / refreshing equipment which is at the end of its useful life.

Further details on all variances are included within the financial section in agenda item 7.

Next 3 months – Potential Risks to Financials

In terms of the financials, the following are potential risks which are being considered and actively managed:

A key focus for the Trust is to maintain momentum around the sales and marketing activity, particularly for Swimming and Gyms and Fitness. Recruitment is underway to fill the current sales vacancy. A number of campaigns are planned during the year and it is vital that this resource is in place to support the business development activities.

Following on from the Foundry closure in 2018/19, the next phase of the works is in the process of being scheduled and will focus on the Gym & Fitness areas of the Foundry. We are working with PaTS to minimise disruption to the services, and hence minimise the risk to income during the period of the works.

East Renfrewshire Culture & Leisure Limited Balanced Scorecard Overview

Recruitment of qualified coaches continues to be a challenge, although progress has been made. This has restricted classes in Community Sports, although a number of casual vacancies are in the process of being advertised to minimise the risk for 2019/20 income.

A review of the vat treatment for the Theatre has taken place, which has identified a potential vat liability in the region of £24-28k. Remediation work is underway. Following on from this, a full review of the Trust is in progress to ensure compliance across all services and also consider the most efficient way to manage the Trusts' ongoing vat liability.

The swimming programme is currently being re-developed to improve capacity, retention and length of participation – the launch of this is planned for after summer.